To **Date: 02.09.2022**
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra (E),
Mumbai– 400051

Ref: Scrip Code/Symbol: AVG

Subject: <u>Notice of the 13th Annual General Meeting and Annual Report of the Company for the Financial Year ended 31st March, 2022</u>

Dear Sir/Ma'am

In terms of Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report for the Financial Year ended 31st March, 2022 along with the Notice of the 13th Annual General Meeting ("AGM") of the Company.

In accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of lndia, the aforesaid documents are being dispatched electronically to those Members whose email ids are registered with the Company/Depositories and physically to those whose email ids are not registered with the Company.

The Notice of the AGM and Annual Report is also available on the Company's website and can be accessed at www.avglogistics.com.

This is for your information and records please.

Thanking you,

Yours faithfully,

FOR AVG LOGISTICS LIMITED

SANJAY GUPTA Digitally signed by SANJAY GUPTA Date: 2022.09.02 20:36:59 +05'30'

SANJAY GUPTA
MANAGING DIRECTOR
DIN: 00527801

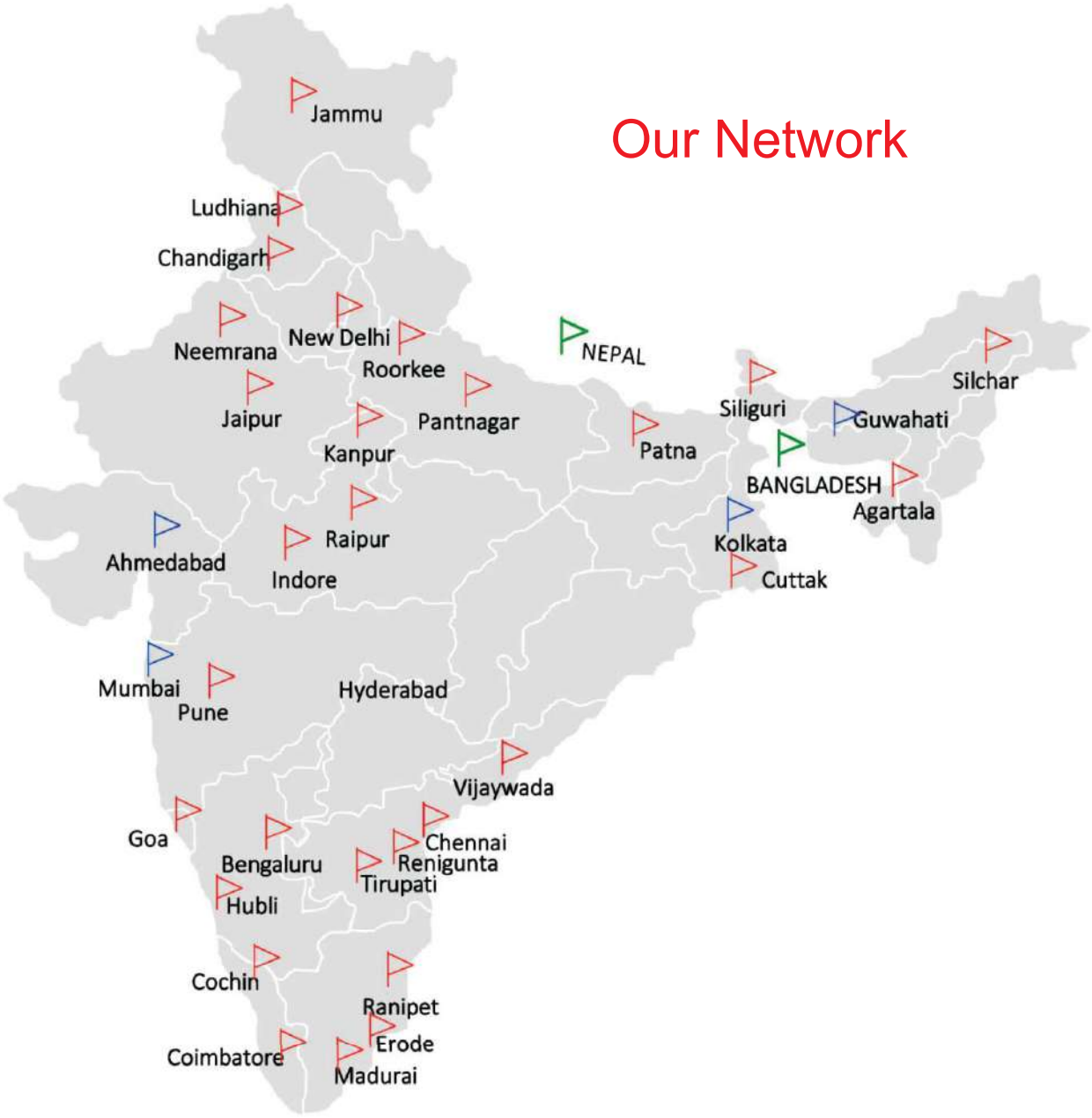
Encl: Copy of Annual Report



AVG LOGISTICS
A STEP AHEAD

Annual Report
2021-2022

Our Network



- An extensive network of 80+branches and 7 zonal offices ensuring AVG has a pan-India presence
- 9 transshipment hubs for LTL services
- International routes catered to Nepal and Bangladesh
- Strong rail logistics network of 4 railway lines

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Chairman's Speech



SANJAY GUPTA
Chairman

SAFE FAST RELIABLE

The fastest growing logistics service provider rapidly delivering the goods on time in technology powered vehicles.

Financial Performance

The Standalone financial performance for the year ended March 31, 2022 is as follows:

Revenue from Operations at Rs. 432 Crores

EBIDTA at Rs.29 Crores

PBT at Rs.8 Crores

PAT at Rs.6 Crores

EPS Rs. 5.12 for face value of Rs.10 per share

DEAR STAKEHOLDERS,

The logistics business makes a substantial contribution to the country's economic development. The Government's efforts to increase integrated logistics and multimodal connections through huge infrastructure expenditures, numerous initiatives such as the Bharatmala project, and the Public Private Partnership are unquestionably beneficial to India's logistics business. AVG is well positioned to capitalise on rising market possibilities and generate long-term sustainable development through its asset light and comprehensive express services.

In FY22, the economy is predicted to rise by close to 8.7%. Overall demand has recovered noticeably, and supply chain problems and rising input prices have begun to subside. We're witnessing an upsurge in operations in a variety of industries, all of which are focused toward betterment. Agriculture grew by 3.9% in FY22. The industrial sector has made a remarkable comeback, increasing by 11.8% this fiscal year after falling by 7% in FY21. Manufacturing, construction, and mining all suffered the same consequences. Other macro indicators are telling a similar trend in order to make India the world's fastest growing economy in FY22. Indian logistics industry, which is considered as the country's lifeline, is extremely significant since it connects a wide range of markets, suppliers, and customers across the country, and it is now firmly established as a key component of the national GDP value chain.

We live in an era of disruptive changes, with increasing volatility in global supply chains, technology becoming more pervasive and evolving customer expectations. And like other industries, the race to stay resilient and relevant is on, in logistics as well. Leaders need to remain focused on driving scale with agility, with pervasive investments in business, technology, and human capital.

At AVG Logistics, we are doing just that – we are leading the change by focusing on creating superior value for all our stakeholders. Despite being hit by the second wave of COVID-19 pandemic during the year, the Company recorded its highest ever revenue from operations of ₹432.07 crore.

I appreciate all the stakeholders and employees for their continuous efforts and commitment towards the growth of the Company. I am Thankful to the Directors for their continuous support and guidance. Looking forward to many more successful years ahead.

Best Regard
Sanjay Gupta
Chairman & Managing Director

Logistics Solutions



Road

- Dedicated Engagement Model
- Non-Dedicated Engagement Model
- Outsourcing Model



Rail

- Parcel Van Train Services
- Cargo Services
- Six Rail Routes:
  - North-South-North
  - North-East-North
  - East-West-East



Cold Storage and Reefer Transport

- Primary & Secondary Movement
- Cold Storage
- Reefer Rail



Warehouse

- Storage Space
- Warehouse Management Services
- Co-packing Services
- Rental Services



Coastal

- Port to port
- Door to port
- Port to door
- Door to door



Multi modal Logistics & Value Added Services

- E2E Solutions
- Reverse Logistics
- Consolidation centre
- Mid-last Mile Delivery

Corporate Information

BOARD OF DIRECTORS

CHAIRMAN AND MANAGING DIRECTOR
Mr. Sanjay Gupta

WHOLE-TIME DIRECTOR
Mrs. Asha Gupta

INDEPENDENT DIRECTORS
Mr. Pawan Kant
Mr. Susheel Kumar Tyagi

NON-EXECUTIVE DIRECTOR
Mr. Shyam Sunder Soni

KEY MANAGERIAL PERSONNEL

CHIEF FINANCIAL OFFICER
Mr. Gurpreet Singh

COMPLIANCE OFFICER & COMPANY SECRETARY
Ms. Laveena Jain (Upto 12.10.2021)
Mr. Mukesh Nagar (wef 24.02.2022)

DIRECTOR SALES & OPERATIONS
Mr. Arun Kohli

BANKERS

Punjab National Bank Ltd. (PNB)

Indian Bank Ltd.

AUDITORS

SECRETARIAL AUDITOR
K Vivek & Co
Company Secretaries

STATUTORY AUDITORS
MSKA & Associates
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT

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

REGISTERED OFFICE

OFFICE NO. 25, D.D.A MARKET, SAVITA VIHAR
DELHI 110092
Mail: praveen@avglogistics.com
Website: www.avglogistics.com
Toll Free : 1800 103 9665

CORPORATE OFFICE:

102, 1st Floor, Above State
Bank of India, Jhilmil Metro Station
Complex Delhi-110095, India
Toll Free : 1800 103 9665

Board of Directors



MR. SANJAY GUPTA
Managing Director



MRS. ASHA GUPTA
Whole Time Director



MR. PAWAN KANT
Independent Director



MR. SUSHEEL KUMAR TYAGI
Independent Director



MR. SHYAM SUNDER SONI
Director

Key Managerial Personnel



MR. GURPREET SINGH
Chief Financial Officer



MR. ARUN KOHLI
Director Sales and Operation



MR. MUKESH NAGAR
Company Secretory
& Compliance Officer

Media Coverage

Bangalore-Delhi-Bangalore

BI WEEKLY PARCEL VAN SERVICE

DRM Bengaluru@drmsbc-Oct 24, 2021
SOUTH WESTERN RAILWAY- BENGALURU DIVISION: The inaugural Special of First Leased Cargo Parcel Express Train (PCET) of Bengaluru Division which will run from YESVANTPUR RAILWAY STATION (BENGALURU DIVISION) to OKHLA (NEW DELHI) 1/4



DRM Bengaluru@drmsbc-Oct 24, 2021
Replying to @drmabc
Railways able to improve capacity utilization parcel & provide major boost to supply chain across country through this initiative. SWR/Bengaluru Division has leased PCET to M/s AVG logistics Ltd with frequency of 02 round trips per week from Yesvantpur to Okhla and back ¾





DRM Bengaluru
@drmsbe

Shri Anil Pavithran, Principal Chief Commercial Manager/SWR, Shri Hari Shankar Verma, Principal Chief Operations Manager/SWR , Shri Shyam Singh, Divisional Railway Manager, Bengaluru Division and Shri Sanjay Gupta, Managing Director, AVG Logistics were present on the occasion 2/4



DRM Bengaluru@drmsbc-Oct 24, 2021
PCET shall run between YPR-ICOD-YPR and 353 tonnes of parcel can be transported in one go, generating annual revenue of about ₹ 30 Crores and ₹ 241 Crores over the contract period of 06 years. 4/4
#SWRUpdates
@RailMinIndia
@SWRRLY
@srdcmsbc
#SWRUpdates



Goa - Nizamuddin - Goa

DAILY PARCEL VAN SERVICE





Goa - Guwahati - Goa (via Kolkata)

Weekly Parcel Van Service



Sanahwal (Punjab) to Bhanga (Silchar)
Via Patel Nagar (Delhi) and Azara (Guwahati)

Weekly Parcel Van Service



COMMITTEES

AUDIT COMMITTEE COMMITTEE

Chairman
Mr. Pawan Kant

Members
Mr. Sanjay Gupta
Mr. Susheel Kumar Tyagi

SHAREHOLDER'S RELATIONSHIP COMMITTEE

Chairman
Mr. Pawan Kant

Members
Mr. Sanjay Gupta
Mr. Susheel Kumar Tyagi

NOMINATION AND REMUNERATION COMMITTEE

Chairman
Mr. Pawan Kant

Members
Mr. Shyam Sunder Soni
Mr. Susheel Kumar Tyagi

CORPORATE SOCIAL RESPONSBILITY COMMITTE (Dissolved wef 29 Aug 2022)

Chairman
Mr. Pawan Kant

Members
Mr. Sanjay Gupta
Mrs. Asha Gupta

Operational Committee

Chairman
Mr. Sanjay Gupta

Members
Mrs. Asha Gupta
Mr. Susheel Kumar Tyagi

MANAGEMENT TEAM



SANJAY GUPTA
Managing Director



ASHA GUPTA
Whole Time Director



VINAYAK GUPTA
Vice President



GURPREET SINGH
Chief Financial Officer



ARUN KOHLI
Director Sales and Operation



S G Mathur
Administrative Officer



AJAY KUMAR
Head of Operations



NARENDEA GUPTA
VP Finance (CIP)



PRAVEEN MAHLA
Sr. GM Finance & Accounts



BIJAY MISHRA
Business Head-Cold Division



DAYANAND SHARMA
GM - Operation



SAURABH GREWAL
Head Fleet Management

Key Highlights

India's Fastest Growing Rail Operator

Revenue : INR 4.3 Billion

PAN India Presence

Over 10 Years Of Excellence

Among India's Reliable Logistic Provider

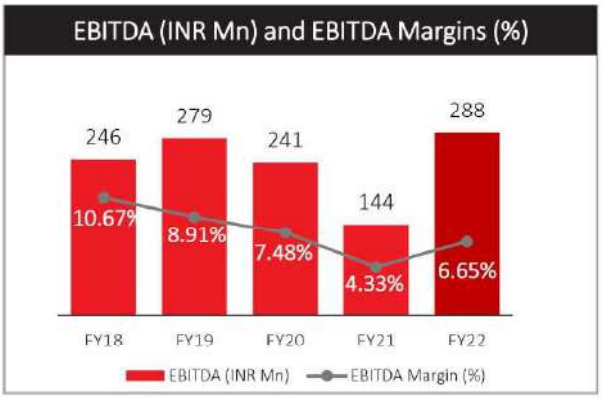
Focused Multimodel Logistics Player

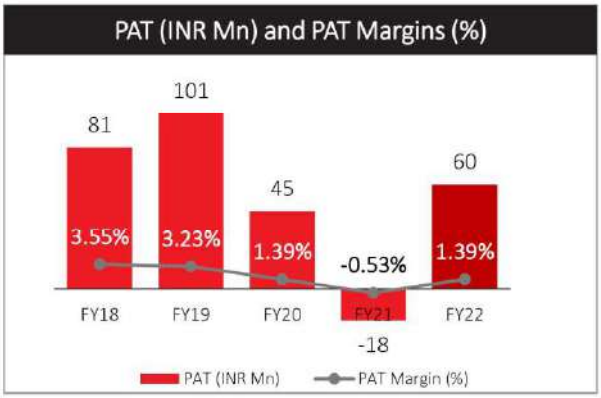
Serving Premium Corporates

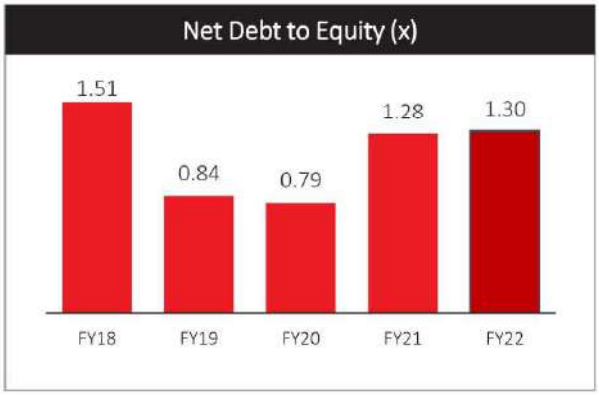


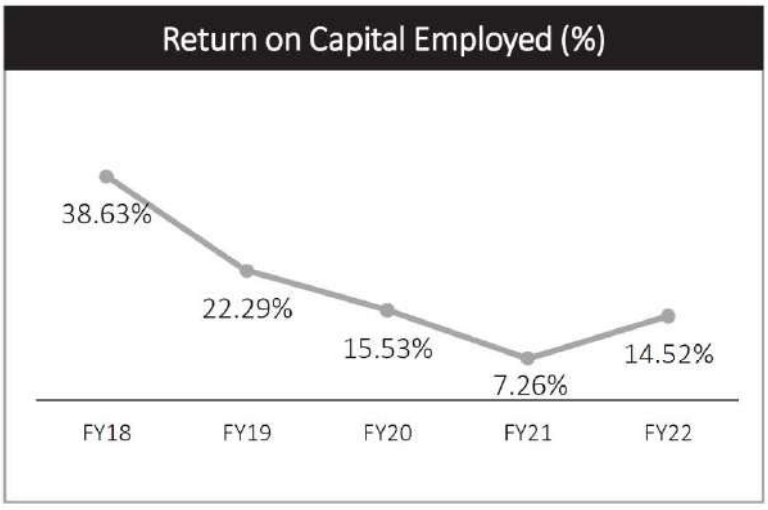
Our 5 Year Snapshot





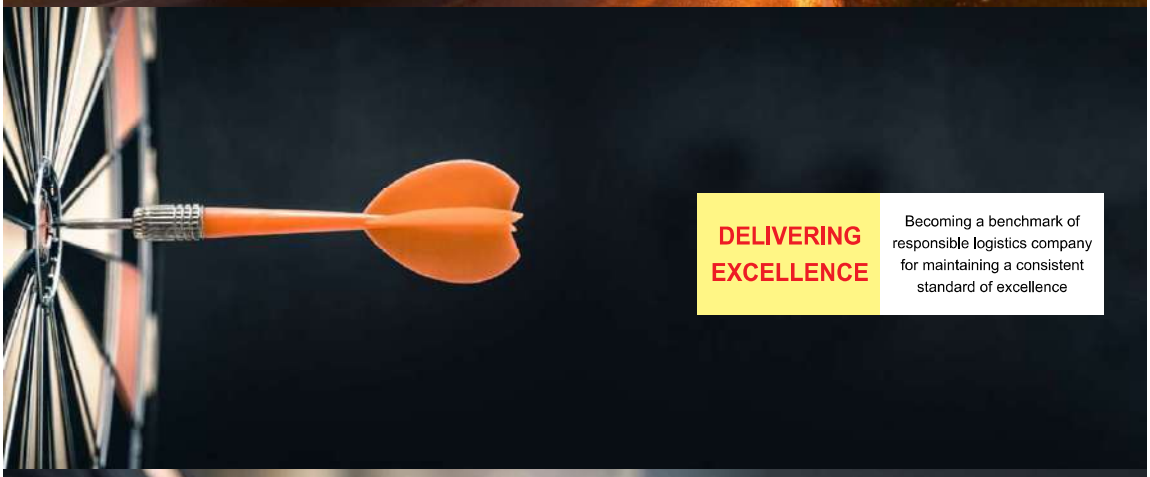






Why AVG Logistics







OUR CSR VISSION INCLUDES

Preventive Healthcare

DRM Hubballi
@drmubl

M/s. AVG Logistics has donated 2 Oxygen Concentrators to Railway Hospital of #Hubballi.

@NewIndianXpress

@kprabhanews

Hubballi: AVG Logistics, New Delhi, has donated two oxygen concentrators, each of 10 litres per minute capacity, to Hubballi division of the South Western Railway using its CSR fund. These concentrators will be used here at Railway Hospital. While receiving oxygen concentrators, Hubballi divisional railway manager Arvind Malkhede thanked AVG Logistics for its contribution and said it will help railways, its staff and the public to tide over the Covid crisis. Railway Hospital at Hub-



DRM Hubballi @drmubl - May 25, 2021

Very thankful to M/s. AVG Logistics for donating 2 Oxygen Concentrators to Railway Hospital at #Hubballi under CSR.

ಹುಬ್ಬಳ್ಳಿ ರೈಲ್ವೆ ಆಸ್ಪತ್ರೆಗೆ ಸಿ.ಎಸ್.ಆರ್. ಅಡಿಯಲ್ಲಿ 2 'ಆಕ್ಸಿಜನ್ ಕಾನ್ಸನ್ಟಿರೇಟರ್' ಗಳನ್ನು ಕೊಡುಗೆಯಾಗಿ ನೀಡಿದ ಮೆ. ಎ.ವಿ.ಜಿ. ಲಾಜಿಸ್ಟಿಕ್ಸ ಗೆ ಧನ್ಯವಾದಗಳು.



Education



Animal Welfare



Shri Gopal Gaushala



Shri Kalyan Gaushala

Other Initiatives

Preventive Healthcare







Driver Training Workshop

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 13TH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON FRIDAY, 30TH SEPTEMBER, 2022 AT 03:00 P.M. AT PARK PLAZA HOTEL & RESORTS, CENTERAL BUSINESS DIST, PLOT 32, MAHARSHI VALMIKI MARG, SHAHDARA, DELHI - 110032 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and the Auditors thereon.

a) "**RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

b) "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. To appoint Mrs. Asha Gupta, (DIN: 02864795), who retires by rotation and being eligible, offers herself for re-appointment.

"**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Asha Gupta (DIN: 02864795), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. Borrowing powers of the company and creation of charge / providing of security.

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

"**RESOLVED THAT** in supersession of the Special Resolution passed by the shareholders dated 31.01.2018, the consent of the Members be and is hereby accorded to the Board of Directors of the Company under Section 180(1)(c) and all other applicable provisions if any, of the Companies Act, 2013 to borrow money for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company, however the moneys to be borrowed together with the moneys already borrowed by the Company shall not exceed 300 Crores (Rupees Three Hundred Crores Only)

RESOLVED FURTHER THAT the Securities to be created by the Company for its borrowing as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and concerned parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board or person(s) authorised by the Board, be and is / are hereby authorised to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard for creating security(ies) as aforesaid or other considered to be in the best interest of the Company."

FOR AVG LOGISTICS LIMITED

SANJAY GUPTA
MANAGING DIRECTOR
DIN: 00527801

DATE: 29.08.2022
PLACE: DELHI

NOTICE

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 2.00 P.M. till the date of Annual General Meeting and also at the meeting.

4. Members are requested to intimate the change, if any, in their registered address immediately.

5. Members/Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting.

6. It will be appreciated that queries, if any, on accounts and operations of the Company are sent to the Registered Office of the Company ten days in advance of the meeting so that the information may be made readily available.

7. The Register of Directors and their Shareholdings, Register of Contracts with related party and in which Directors are interested and Register of Proxies would be available for inspection by the Members at the meeting.

8. Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 23rd September, 2022 to Friday the 30th September, 2022 (both days inclusive).

9. A person entered in Register of Members on 23.09.2022 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.

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 2021-22, the notice of the 13TH 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.

INSTRUCTIONS FOR E-VOTING:

(i) The voting period begins on Tuesday, September 27, 2022 (9:00 A.M. IST) and ends on Thursday, September 29, 2022 (5:00 P.M. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2022 may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
    1. Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.
    2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
    3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e.your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL
    1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
    2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e.LINKINTIME. Click on LINKINTIMEand you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
    3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration .
    4. Alternatively, the user can directly access e-Voting page by providing dematacccount number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name **i.e. LINKINTIME** and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -

   A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 digit beneficiary ID.

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

   Shareholders holding shares in **NSDL form, shall provide 'D' above*

   ▸Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
   ▸Click "confirm" (Your password is now generated).

3. Click on 'Login' under **'SHARE HOLDER'** tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'.**

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon**.**
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit'.** A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes',** else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22- 23058542-43.

Individual Shareholders holding securities in Physical mode has forgotten the password:

NOTICE

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No +Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholderswho are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

FOR AVG Logistics Limited

Sanjay Gupta
Managing Director
DIN: 00527801

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND SECTION 110 & RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid up share capital and free reserves and Securities Premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only the consent of the Company by passing a Special Resolution. The Shareholders of the Company dated 31.01.2018, had inter-alia passed the Special Resolution pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 authorising the Board of Directors of the Company to borrow monies for and on behalf of the Company from time to time as deemed fit by it to be requisite and proper for the business of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding shall not exceed Rs. 200 Crores (Rupees Two Hundred Crores Only)

The Board of Directors of the company propose to authorize to borrow monies for and on behalf of the company from time to time as deemed fit by it to be requisite and proper for the business of the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) and remaining outstanding not exceed Rs. 300 crores (Rupees three hundred crores only).

NOTICE

ATTENDANCE SLIP
(TO BE PRESENTED AT THE ENTRANCE)

13TH ANNUAL GENERAL MEETING ON FRIDAY, 30 SEPTEMBER,2022 AT 3.00 P.M. AT PARK PLAZA HOTEL AND RESORTS, CENTRAL BUSINESS DISTRICT, PLOT 32 MAHARSHI VALMIKI MARG, SHAHDARA DELHI-110032

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

Name of the Member: ..... Signature: .....

Name of the Proxy holder: ..... Signature: .....

No. of Share(s) held .....

I HEREBY RECORD MY PRESENCE AT THE 13TH AGM OF THE COMPANY HELD ON FRIDAY, 30 SEPTEMBER, 2022 PARK PLAZA HOTEL AND RESORTS, CENTRAL BUSINESS DISTRICT, PLOT 32 MAHARSHI VALMIKI MARG, SHAHDARA DELHI-110032

NOTE:

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

NOTICE

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./Client ID:
DP ID:

I/We being the members of _____, holding _____shares, hereby appoint

1. **Name:**

   Address:

   Email Id:

   Signature: _____, or failing him

2. **Name:**
   Address:
   Email Id:
   Signature: _____,

NOTICE

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 13th Annual General Meeting of the Company, to be held on Friday, 30th September, 2022 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:

Resolution No.	Description	For	Against
1.	**To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and the Auditors thereon.**		
2.	**To appoint Mrs. Asha Gupta who retires by rotation and being eligible, offers herself for re-appointment.**		
3.	**Borrowing powers of the company and creation of charge / providing of security.**		

Signed this _____day of _____2022

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.

NOTICE

Route Map

Park Plaza Delhi CBD Shahdara



DIRECTORS' REPORT

To,
The Members
AVG Logistics Limited

Dear Members,

The Directors of your Company are pleased to present the 13th Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2022.

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 2022 are as under. Wherever applicable, the consolidated financial statement is also being presented in addition to the standalone financial statement of the Company.

Amount in INR Lakhs

Particulars	**Standalone**		**Consolidated**	
	31st March, 2022	**31st March 2021**	**31st March, 2022**	**31st March 2021**
Income				
Revenue from operations	43207.67	33,339.24	43207.67	33,339.24
Other Income	65.33	118.81	65.33	118.81
	43273.00	**33,458.05**	**43273.00**	**33,458.05**
Expenses				
Operating Expenses (Including the amount of Consumptions)	35013.34	26579.29	35013.34	26579.29
Employee Benefit Expense	1606.60	1234.13	1606.60	1234.13
Finance Costs	1456.78	1220.99	1456.78	1220.99
Depreciation and AmortizationExpense	637.34	678.44	637.34	678.44
Other Expenses	3712.49	4082.24	3712.49	4082.09

	42426.54	**33794.95**	**42426.54**	**33794.95**
Profit before exceptional and extraordinary items and tax	**846.46**	**(336.90)**	**846.46**	**(336.90)**
Prior period expense		**(100.89)**		**(100.89)**
Profit before tax	**846.46**	**(236.01)**	**846.46**	**(236.01)**
Tax expense:				
(1) Current tax	120.82	-	120.82	-
(2) Adjustment for earlier years	202.28	(45.77)	202.28	(45.77)
(3) Deferred Tax	(76.81)	(13.91)	(76.81)	(13.91)
Profit for the year	**600.16**	**(176.33)**	**600.16**	**(176.33)**
Share of profit/ (loss) from associate			**2.61**	**4.46**
Share of profit from enterprise			**(0.44)**	**(0.18)**
	600.16	**(176.33)**	**602.33**	**(172.05)**
Earning per equity share (nominal value of Share Rs. 10 (P.Y. Rs 10)				
(1) Basic	**5.10**	**(1.58)**	**5.12**	**(1.58)**
(2) Diluted	**5.10**	**(1.58)**	**5.12**	**(1.58)**

1. OPERATIONAL AND FINANCIAL PERFORMANCE REVIEW

Your Company focus is to provide timely and satisfactory service to its clients, resulting thereby expanding successfully its business across the country.

Your Board of Directors are 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 infrastructureas 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. 43207.67 lakhs in 2021-22 from Rs. 33339.24 Lakhs in 2020-21 and the Profit before tax for the year Increased to Rs. 846.46 Lakhs during the year as compare to Rs. (236.02) lakhs in financial year 2020-21.

2. IMPACT OF COVID-19

The COVID-19 pandemic continued to be a global challenge creating disruption across the world. While the global economy showed early signs of recovery in the beginning of 2021, the repeated waves of COVID infection overwhelmed the Country's health infrastructure. The partial lockdown situation in the Country during most part of the financial year under review led to rise in inflation impacting recovery especially across emerging economies and dented the pace of economic activity.

The pandemic impacted the logistics sector in both positive and negative ways. On one hand, it has increased financial pressure on a lot of companies in the industry, especially transporters. On the other hand, it has accelerated some key transformations within the logistics sector viz. changing channel landscape, increasing adoption of multi-modal logistics, integrated service offerings, technology integration to drive efficiencies etc.

Digital solutions and usage of technology has become essential for making supply chains more robust, driving end-to-end visibility, ensuring data security and real-time product traceability, and improving government industry collaboration as we prepare for the future. Despite these challenges, we also saw many tailwinds in our business. Opening of the economy spurred growth the markets. Leveraging on the trends emerging from the external environment, we continue to enhance our focus on delivering value through customized integrated solutions, new customer acquisitions and operational excellence and drive technology investments to maintain profitable growth and improve scalability of our businesses in the prevalent economic scenario.

3. TRANSFER TO RESERVES

As per Standalone financials, the net movement in the reserves of the Company as at 31 March 2022 (FY 2021-2022) [Previous Year ended 31 March 2021 (FY 2020-2021)] is as follows:

Amount in INR Lakhs

Particulars	**Financial Year 2021-22**	**Financial Year 2020-21**
Securities Premium	3,161.79	3,161.79
Surplus in Statement of Profit and Loss	4108.59	3508.43
Total Reserves & Surplus	**7270.38**	**6670.22**

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

4. DIVIDEND

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

5. STATE OF THE COMPANY S AFFAIRS

a. Segment-wise position of business and its operations

The Company's business activity falls in primarily into one segment only i.e. Logistics 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 2021-2022 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 2489.60 Lakhs in Tangible assets.

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

During the Year under review no such transaction occurred.

6. CHANGE IN THE NATURE OF BUSINESS

The Company continued to carry Business of Transportation, Warehousing and 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 increased its railway operation and signed significant long term contracts.

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

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

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

During the Financial Year 2021-2022 under review, the Company has not revised its financial statement or the Board's Report in respect of any of the three preceding financial years either voluntarily or pursuant to the order of any judicial authority.

9. CAPITAL AND DEBT STRUCTURE

A. Changes in Share Capital Structure

During the Financial Year under review, there is no change in the Authorized Share Capital of the Company. As on March 31, 2022, the Authorized Share Capital of the Company is INR 1,200.00 Lakhs divided into 120 Lakhs equity shares of INR 10 each. No further issue of capital was made during the year under review.

The Issued, Subscribed and Paid-up Share Capital of the Company is INR 11,77,52,710.

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:

There is no change in the Issued, Subscribed and Paid-up Share Capital of the Company during the year.

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 2022.

B. Changes in Debt Structure

Debentures/Bonds/Warrants or Any Non-Convertible Securities

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

10. CREDIT RATING OF SECURITIES

During the Financial Year 2021-2022 under review the Company has not taken or issued any bonds or any debt instruments and neither has obtained any credit rating for them from any credit rating agencies.

11. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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

12. 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.

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. **Mr Mukesh Kumar Nagar** having Membership No 62523, was appointed as Company Secretary & Compliance Officer of the company at the Board meeting held on 24.02.2022.

8. **Mr. Nagendra Kumar Sharma** was appointed as Chief Operating Officer (COO) at the Board Meeting held on 14.06.2021.

9. **Mr. Arun Kohli** was appointed as Director-Sales and Operations-KMP wef. 29.08.2022

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) Mrs. Asha Gupta, Whole Time Director is liable to retire at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends her appointment for the approval of the member of the Company in the ensuing Annual General Meeting.

During the Financial Year 2021-22, there were no changes in the key managerial personnel of the Company except Mr. Mukesh Kumar Nagar was appointed as Company Secretary and Compliance Officer by the Board of Directors on 24.02.2022 on the recommendation of nomination and remuneration committee. Ms. Laveena Jain previous Company Secretary & Compliance Officer of the company had 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 2021-2022, have relevant integrity, skills, expertise, experience and proficiency.

IV. Board Meetings

During the Financial Year 2021-2022, the Board met 5 times during the financial year 2021- 22 i.e., 14th June, 2021, 12th October 2021, 27th October 2021, 24th February 2022, 07th March 2022,. 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, 3 meetings of the Audit Committee have been conducted during the Financial Year 2021-2022 i.e., 10th May, 2021, 27th October 2021, 7th March 2022.

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 Committed was re-constituted on 13.11.2019, 1 Meetings of the Stake holder relationship committee has been conducted during the Financial Year 2021-22 i.e., 07th March 2022.

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 Committed was re-constituted on 13.11.2019, 3 meetings of the Nomination & Remuneration committee have been conducted during the financial year 2021- 22 i.e., 31st May 2021, 27th October, 2021 and 24th February, 2022.

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 (Dissolved on 29.08.2022)

Company's CSR Policy is established by the Board of Directors with the recommendation of the CSR Committee. 1 Meetings of the Corporate Social Responsibility committee has been conducted during the Financial Year 2021-22 i.e., 07th March 2022.

The Board had duly constituted a CSR Committee and further the Committee was re- constituted on13.11.2019 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)

The Board of Directors of the Company approved the dissolution of CSR Committee by means of Board resolution dated 29.08.2022 and the functions of the committee shall be discharged by the Board of Directors as such.

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. 4 Meetings of the Operational Committee has been conducted during the financial year 2021-22 i.e., 09th June, 2021, 26th August, 2021, 29th October, 2021, 27th December, 2021.

The Board had 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 runthe 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 theemployees of the company for the financial year

S. No	Name	Designation	Ratio
1.	Sanjay Gupta	Managing Director	24.55
2.	Asha Gupta	Whole Time Director	18.88

B. Persons employed throughout the Financial Year ended 31 March, 2022, 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 2022 was 429.

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, 2022, 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, 2022 and of the Profit and Loss of the company for that year 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.

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

XI. Reporting of Frauds by Auditors

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

13. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

A Joint Venture Company was incorporated in the Year 2018 with the name of NDRAVG Business Park Private Limited (CIN: U45309TN2018PTC125055) with the object to develop property situated at Sarita Vihar at New Delhi with provision for warehousing 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. 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 2021-2022 under review none of the Companies have become or ceased to be subsidiaries, associates and joint ventures.

14. DETAILS OF DEPOSITS

During the Financial Year 2021-2022 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies act 2013 read with Companies (Acceptance of Deposit) Rules, 2014. As such, no specific details prescribed in Rule 8(1) of the Companies (Accounts) Rules, 2014 (As amended) are required to be given or provided.

15. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company 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.

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

As per the Requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at www.avglogistics.com at a link http://www.avglogistics.com/upload/document/document_2125338623.pdf. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties. There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements during the Financial Year under review. 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, if any 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.

17. DETAILS OF CSR POLICY AND INITIATIVE TAKEN DURING THE FINANCIALYEAR 2021-22

The 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. 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 2021- 22, is enclosed herewith as **Annexure- D**. Other details regarding Company's CSR Policy is available on the website of the Company http://www.avglogistics.com/upload/document/document_572731300.pdf

18. 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.

(ii) the capital investment on energy conservation equipments;
Not applicable in view of the nature of activities carried on by the Company.

B. TECHNOLOGY ABSORPTION

DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY ETC

(i) The efforts made towards technology absorption;
Not applicable in view of the nature of activities carried on by the Company.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
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
1.	FOREIGN EXCHANGE EARNING	NIL
2.	FOREIGN EXCHANGE OUTGO	NIL

19. RISK ASSESSMENT AND MANAGEMENT

Risk is the part of the every one's life, while running any business there are many kind of risk is involved, to minimize 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

20. DETAILS OF ESTABLSHMENT OF VIGIL MECHANISM

The company has established a Whistle Blower Policy which also incorporates a Vigil Mechanism in terms of the SEBI (LODR) Regulations, 2015 for directors and employees commensurate to the size and the business of the company to promote ethical behavior, actual or suspected fraud or violation of our code of conduct and ethics. Under the said mechanism, the employees are free to report violations of applicable laws and regulations and the code of conduct. It also provide for adequate safeguards against the victimization of persons who use such mechanism.

The Whistle Blower Policy of the Company is also available on the website of the company at the link http://www.avglogistics.com/upload/document/document_1493266758.pdf. During the year, no whistle blower event was reported & mechanism is functioning well. Further, no personnel have been denied access to the Audit Committee.

21. MATERIAL ORDERS OF JUDICIAL BODIES / REGULTORS

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

22. AUDITORS

a) Statutory Auditor

In accordance with Section 139 of the Companies Act, 2013 and Rules made thereunder, Members at the 9th Annual General meeting of the Company approved the appointment of Statutory Auditors M/s MSKA & Associates (Formerly known as M/s. MZSK & Associates), Chartered Accountants (FRN 105047W), 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 personnel) Rules, 2014, the board appointed M/s. K Vivek & Co., practicing Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2021- 2022 in the board meeting held on 07th March, 2022.

d) Cost Auditor

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

23. SECRETARIAL AUDIT REPORT

Pursuant the provision of the Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board appointed M/s K Vivek & Co., practicing Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2021- 2022. 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.

24. EXPLANATIONS IN RESPONSE TO AUDITORS QUALIFICATIONS

With regard to the Statutory Audit Report for the Financial Year 2021-22, 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 K Vivek & Co., practicing Company Secretaries, in his Secretarial Audit Report.

25. COMPLIANCE WITH SECRETARIAL STANDARD

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

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

During the financial year 2021-2022 under review, the Company has not passed or filed any resolution/application or by any financial or operational creditor against the Company under the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal.

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

During the financial year 2021-2022 under review, the Company has not failed to implement any corporate action within the specified time Limit as declared under Section 125 of the Companies Act 2013 and relevant rules made there under.

28. 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 2021-2022. The audited consolidated financial statements along with the auditors 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 2021-22, 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-F** 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 Report 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 whichare 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.

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. 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 programmes 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 forthe Board, and our major risks and risk management strategy. This policy includes to keepupdated 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, Materiality Policy 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 bycreating 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 whileimparting 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 end of financial year	NIL

33. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rules framed thereunder, an extract of the Annual Return in Form MGT–9 is hosted on the website **http://www.avglogistics.com/investor-relation**

34. 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
MANAGING DIRECTOR
DIN: 00527801

Date: 29.08.2022
Place: Delhi

ANNEXURE-A

DETAILS OF TOP TEN EMPLOYEES (IN TERMS OF REMUNERATION)

S.NO.	NAME OF THE EMPLOYEE	DESIGNATION
1	VINAYAK GUPTA	VICE PRESIDENT
2	GURPREET SINGH	CHIEF FINANCIAL OFFICER
3	NAGENDRA SHARMA	CHIEF OPERATING OFFICER
4	PRAVEEN KUMAR	SENIOR GENERAL MANAGER-FINANCE & ACCOUNTS
5	NARENDER PRAKASH GUPTA	VP FINANCE (CIP)
6	BIJAY NARAYAN MISHRA	BUSINESS HEAD-COLD DIVISION
7	ASHOK KUMAR SHARMA	HEAD-TRAIN MOVEMENT
8	ANJALI GUPTA	AVP-FINANCE
9	RAJESH KUMAR	ZONAL HEAD
10	AJAY KUMAR	HEAD OF OPERATIONS

Annexure – B

FORM NO. AOC.1

Statement containing salient features of the financial statement ofSubsidiaries/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 caseof 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	31st March, 2022
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.	**9,99,64,497**
6. Loss for the year	
i. Considered in Consolidation	2,60,748
ii. Not Considered in Consolidation	4,84,248

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

S. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	N. A.
2	Nature of contracts/arrangements/transaction	
3	Duration of the contracts/arrangements/ Transaction	
4	Salient terms of the contracts or arrangements or transaction including the value, if any	
5	Justification for entering into such contracts or arrangements or transactions	
6	Date of approval by the Board	
7	Amount paid as advances, if any	
8	Date on which th e 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.

S. 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.
2.	Nature of contracts/arrangements/transaction	Transportation Expenses
3.	Duration of the contracts/arrangements/ Transaction	-
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Expenses for the year Rs. 1,17,334
5.	Date of approval by the Board	14.06.2021
6.	Amount paid as advances, if any	

1.	Name (s) of the related party & nature of relationship	PCG Logistics Pvt Ltd. Relationship: A Private Company in which Directors of our Company are directors. 1. Asha Gupta 2. Sanjay Gupta
2	Nature of contracts/arrangements/transaction	Availing of services
3	Duration of the contracts/arrangements/ Transaction	-
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Freight Income during the year- 64,40,268
5	Date of approval by the Board	14.06.2021
6	Amount paid as advances, if any	-

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 orprogrammes.

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 CSRexpenditure.

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 theCompanies Act, 2013 INR 595 Lakhs.

4. Prescribed CSR expenditure

a) (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 11.90 Lakhs

b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL

c) Amount required to be set off for the financial year: NIL

5. Details of CSR spent during the financial year:

a) Total amount to be spent for the Financial Year (4a+4b-4c) : INR 11,90,000

b) CSR Amount Spent – INR 12,42,756

c) Manner in which the the amount spend during the financial year is detailed below:

S. No.	CSR Project or Activity Identified	Institution	State where project /program undertaken	Amount spent	Amount spent direct or through implementing agency
1.	Promoting health care	Pingalwara	Amritsar, Punjab	39,600	Direct
		PNB	Delhi	50,000	Direct
		South Western Railway, Hubbali Division (Donation of Oxygen concentrator) & Others	Hubali, Karnataka	8,52,156	Direct
2.	Promoting Education	Sri Sai Spiritual Center Trust	Bangalore Karnataka	1,00,000	Direct
3.	Animal Welfare	Shri Gopal Gaushala	Hyderabad,	1,01,000	Direct
		Shri Kalyan Gaushala	Sunam, Punjab	1,00,000	Direct
	Total			**12,42,756**	

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.

Annexure-E

MR - 3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AVG LOGISTICS LIMITED
L60200DL2010PLC198327
Office no. 25, D.D.A Market,
Savita Vihar Delhi - 110092

We have conducted the Secretarial Audit of the Compliance of Applicable Statutory Provisions and the adherence to good corporate practices by the company named as **AVG LOGISTICS LIMITED (CIN : L60200DL2010PLC198327)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **AVG LOGISTICS LIMITED** for the financial year ended on 31st March, 2022 according to the provisions of following laws, wherever applicable:

1. The Companies Act, 2013 (the Act) and the rules made there under;

2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**

5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') wherever applicable viz. :-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014; **Not Applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**

6 . Other applicable Laws.

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

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

(b) Secretarial Standards issued by the ICSI and notified by MCA.

During the period under review the Company has complied wherever applicable, with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above along with fees, additional fees or penalty/fine wherever applicable.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors.

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 K VIVEK & CO.
(Company Secretaries)

Sd/-

Vivek Kumar
(Proprietor)
C.P. No. 21931
M. No. 58007
UDIN: A058007D000666197

Date: 21.07.2022
Place: Delhi

(This report is to be read with Annexure 'A' to MR 3 annexed herewith)

Annexure 'A' to MR – 3
(FOR FY 2021-22)

To,
The Members,
AVG LOGISTICS LIMITED
L60200DL2010PLC198327
Office no. 25, D.D.A Market,
Savita Vihar Delhi - 110092

1. Maintenance of Secretarial Record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the Provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR K VIVEK & CO.
(Company Secretaries)

Sd/-

Vivek Kumar
(Proprietor)
C.P. No. 21931
M. No. 58007
UDIN: A058007D000666197

Date: 21.07.2022
Place: Delhi

Annexure-F

AVG Logistics Management Discussion and Analysis Report

Overview

Logistics is an integral activity for economic growth in every Country as it involves the management of flow of goods from the place of origination to the place of consumption. With a pick-up in demand, the Indian logistics market is pegged at USD 250 Bn in FY22 and is growing at a rapid pace and is expected to reach USD 380 Bn mark by 2025 at a compound annual growth rate between 10 to 12 percent, especially after facing a slowdown in the last two years. Logistics sector contributes around 14.4% of GDP. India is one of the fastest growing economy and is expected to be one of the top three economic powers in the world by 2035 supported by demographics and strong democracy. Fuelling the growth are the new policies that are set to give the industry a much-needed push. Better connectivity, dedicated freight corridors, tech-driven warehousing, and constant growth in online buying and thus e-commerce business. Government's focus on localized manufacturing through the "Make in India" drive, the 'PM Gati Shakti' plan announced during the Union Budget 2022 earlier this year will augment the sector. The impetus given by the government to build the infrastructure in the recent budget is the biggest positive for the logistics sector. The keen focus on building connectivity through a better road network, dedicated freight corridors, tech-driven warehousing along with 4 Multimodal logistics parks, 100 PM Gati Cargo Terminals, increased speed of goods train by railways all these efforts indicate that the age-old perception of "logistics is just about transportation" is changing.

The logistics sector in India can be divided into 1) Transportation 2) Warehousing 3) Value Added Services.

Transportation

Transportation is the biggest share of Indian Logistics sector which is a mix of Road, Rail, Coastal and Air Freight.

Road Logistics

The surface transportation sector is expected to grow at a CAGR of more than 8% thereby becoming the fastest growing area of India's infrastructure sector. The revenue of surface Transportation sector is USD 140 Bn. The surface transportation sector can be further divided into the following: I. Full Truck Load, II. Part Truck Load, III. Express

Rail Logistics

India has the world's fourth largest rail network after US, China, and Russia. Railways after roadways account for second highest nearly about 31% of goods moved in terms of volume across the country. Dedicated Freight Corridor (DFC) commercialization has led to improved and double stacking for our coverage container train operators, benefiting both on the revenue and profitability. Trial train operations have started at the Mehsana-Palanpur section of the DFC in Gujarat, with a speed of 55-65 kmph (double speed of freight trains running on the Indian Railways network). DFCCIL expects to commercialize operations up to Sanand in a few months.

Coastal Logistics

The share of waterways has been limited to 8% in India, much lesser compared to China and Europe, where it varies between 35%- 40%. According to government, India has witnessed a growth of 11.3% of cargo movement on coastal routes from 2015-16 to 2018-19. The total cargo movement is expected to reach 250 MTPA by 2025. To make an efficient modal mix, the Indian government has introduced the Sagarmala Programme with the vision to reduce logistics costs, which will lead to overall savings of INR 35K to INR 40K Crore per annum. It also aspires to reduce carbon emissions by 12.5 MT/annum by transportation. India has in total 11 major and 168 minor/intermediate ports across the country. It's high time to leverage these for economic benefits.

Air Logistics

The airways share accounts for less than 2% of the total. Role of air cargo is very critical due to its efficiency in transit times. In spite of being multiple times costlier than other modes, it proves to inevitable for many time sensitive products such as Pharmaceuticals, Healthcare, Electronics, wireless telephony, and Automotive Spares etc apart from horticulture and perishable. The cargo movement by air takes place by either Dedicated Air cargo or Belly Cargo Movement. The international air cargo industry is highly organized due to regulations of international body (IATA). More than 75% of the air freight market in India is with organized players.

Warehousing

The warehousing market in India is estimated to be worth USD 12 Bn in 2020^ and is growing at a faster pace. The warehousing has attracted more than USD 6.5 Bn investment since 2017 and market is expected to attract more investment in next 5 years. In terms of land availability for development, warehousing has a potential FSI of 500 Mn Sq.ft. across the major 8 cities in India, while existing stock across these cities is 307 Mn Sq.ft. The top six cities with modern warehousing capacity are Ahmedabad, Bangalore, Chennai, Mumbai, Delhi and Pune. The growth in warehousing market is driven by various factors such as rising share of India's businesses in the international markets, demand for greater storage, rise in e-commerce businesses, etc. 3PL and e-commerce are the largest lessors of the warehousing space with more than 60% share. This is in line with the trend of more and more companies outsourcing their non-core business operations to experts and focusing on the core area for faster growth.

Value Added Services

As customer demand for customized product grows, the contribution and importance of value-added services to the overall supply chain also grows. Value added services make the overall supply chain and logistics network smoother and more efficient. Value added services cover range of activities such as custom clearing, Logistics packaging, Inventory management, Material handling equipment, etc.

Opportunities and Threats

Opportunities:

The Increased focus by the Company on Rail Logistics can help improve margins. Also the Overall consumer sentiments 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.AVG is continuously making an effort, leveraging technological advancements, and expanding the means to provide services to minimize the regulatory risk, if any. The company has also consciously increased focus on varied business segments to grow faster and increase the different types of customer base.

Threats:

Any changes in regulatory norms by the Government of India (GoI) may impact the operations. Apart from that there could be margin pressure due to competition from the unorganized sector and new entrants. Increasing fuel prices is another worry across Logistics industry.

Existing Business Strategy

AVG's total revenues have grown by 29% as compared to the previous year, this is due to providing innovative logistics solutions to its existing customers as well as new customers. The introduction of Coastal, Rail logistics solutions and specialized catering of reefer services is expected to go a long way in times to come. Overall, AVG Logistics' business strategy is well poised for long term growth and success.

Note: Above Information includes data collected from various resources.

INDEPENDENT AUDITOR'S REPORT

To the Members of AVG Logistics Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of AVG Logistics Limited (hereinafter referred to as the "Holding Company"), its associates, which comprise the consolidated Balance Sheet as at March 31, 2022, 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 and other explanatory information (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, 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 Accounting Standards prescribed under section 133 of the Act read Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the holding Company and its associates as at March 31, 2022, of Consolidated profit, 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 holding 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 Code of Ethics issued by Institute of Chartered Accountant 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 following matters in the Notes to the consolidated financial statements:

Note 46 which states that management has made 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, 2022. The management has prepared an action plan for collection of long outstanding balances including the need of any write downs. The management has accordingly concluded that necessary impact have been considered and recognized in the consolidated financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2022 (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.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Revenue Recognition** We refer to note 1 (b) (ix) to the consolidated financial statements. 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. Revenue is recognised on billed amount and unbilled amount. The holding Company and its associates and its external stakeholders focus on revenue as a key performance indicator. We have determined this matter to be key audit matter considering the materiality of the amounts and significant judgements and estimates involved.	Our audit procedures in respect of this area include but are not limited to: 1. 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. 2. Assessing the compliance of revenue recognition accounting policies. 3. Performing substantive cut-off testing by selecting statistical samples of revenue transactions recorded at year-end and agreeing to the underlying documents. 4. Performed analytical procedures for ascertaining reasonableness of estimates used in recognition of revenue. 5. Testing underlying evidence with respect to revenue.
2	**Allowance for Trade receivables** We refer to note 17 to the consolidated financial statements, the holding Company and its associates has allowance for trade receivables amounting to Rs. 1,427.38 lakhs as on March 31, 2022. Management creates allowance for trade receivables basis facts and circumstances of each case and the ageing of the debit balances. The holding Company and its associates assesses the recovery of all the debit balances on case to case basis. Further, the balances which are long outstanding are actively pursued. We have determined this matter to be key audit matter considering the materiality of the amounts and significant judgements involved.	Our audit procedures in respect of this are included but not limited to: 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. Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating allowance for trade receivables; 5. Assessed the appropriateness of presentation/ disclosure in the consolidated financial statements. 6. Verified subsequent recovery of trade receivables by tracing them in the books of accounts and bank statement on test check basis.
3	**Lorry advances** We refer to note 19 to the consolidated financial statements, the holding Company and its associates has outstanding lorry advances amounting to Rs. 908.01 lakhs as at March 31, 2022. The holding Company and its associates did not have a process in place to	Our audit procedures in respect of this are included but not limited to: 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 outstanding balances. 3. Assessed the appropriateness of presentation/ disclosure in the consolidated financial statements.

	timely reconcile the advances paid to the truck drivers with the corresponding expense settlement. However, during the year the management spent a significant time in setting up a process and reconciled the advances paid with expense settlement. We have determined this matter to be key audit matter considering the extent of audit efforts in relation to the reconciliation of advances paid with expense settlement.	4. Obtained an understanding of the systems, processes and control implemented by management for recording and reconciliation of advances paid with expense settlement; 5. Verified reconciliation and subsequent recovery of lorry advances against the corresponding expense settlement.
4	**Impairment of assets** We refer to note 1 (b) (vi) to the consolidated financial statements. The holding Company has a warehouse at Agartala, Tripura having carrying value amounting to Rs. 1,016.56 lakhs as at March 31, 2022. This warehouse has been capitalised in the financial year 2020-21 and has not been operational since its capitalisation. We have determined this matter to be key audit matter considering the materiality of the amounts and significant judgements and estimates involved.	Our audit procedures in respect of this are included but not limited to: 1. Read the holding Company's accounting policies with respect to impairment in accordance with AS 28 "Impairment of assets" 2. Obtained an understanding of the systems, processes and controls implemented by management for assessment and recording, if required, for impairment of assets. 3. Enquired into the reasons for non-operation of the warehouse since capitalization and assessed them for any impairment indicators. 4. Involved auditor's expert to assess the appropriateness of the key assumptions and estimates used by the valuers in determination of the fair value of warehouse. 5. Assessed the disclosures in accordance with the requirements of AS 28 "Impairment of assets".

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

The Holding 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'.

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

The Holding 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 holding Company and 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 companies included in the holding 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 holding Company and its associates 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 Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the holding Company and of its associates are responsible for assessing the ability of the holding 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 the Board of Directors either intends to liquidate the holding Company and its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the holding Company and of its associates are responsible for overseeing the financial reporting process of the holding 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 holding Company's share of net profit of Rs. 2.17 lakhs for the year ended March 31, 2022, 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 subsidiaries, jointly controlled entities and 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 subsidiaries, jointly controlled entities and 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. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the holding Company and its associate companies incorporated in India are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of internal financial controls with reference to financial statements of the holding Company and its associates and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. There were no pending litigations which would impact the consolidated financial position of the holding Company and its associates.

ii. The holding 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 Holding Company, and its associate companies incorporated in India.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the holding Company and its associates to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by holding Company and its associates from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has

caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

v. The holding Company has neither declared nor paid any dividend during the year.

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

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Company and on consideration of CARO reports by statutory auditors of subsidiaries associates and Joint Venture included in the consolidated financial statements of the Company to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

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

Naresh Anand
Partner
Membership No. 503662
UDIN: 22503662AKJNYW3627

Place: Chandigarh
Date: June 06, 2022

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 Group and its associates and jointly controlled entities 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 Group and its associates and jointly controlled entities 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 within the Group and its associates and jointly controlled entities 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 Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2022 (current year) and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Naresh Anand
Partner
Membership No. 503662
UDIN: 22503662AKJNYW3627

Place: Chandigarh
Date: June 06, 2022

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

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of AVG Logistics Limited on the Financial Statements for the year ended March 31, 2022

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

Qualified Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of AVG Logistics Limited (hereinafter referred to as "the Holding Company") and its associate companies, which are companies incorporated in India, as of that date.

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, 2022:

a) The holding Company does not have robust policy and controls over cash management in respect to KYC documentation against cash receipts and cash payments. This could potentially result in the company recording of inappropriate cash transactions.

b) The holding Company does not have 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 and reconciliation of key balances. Not having a formal financial statement closure process could potentially result in the holding Company processing documents and other accounting records, inaccurately and inconsistently.

c) In case of advance to suppliers, the holding Company does not have an appropriate internal control system for documentation of corresponding purchase orders, agreements, timely reconciliation with subsequent settlements, etc. which could potentially result in inappropriate settlements and adjustments.

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, and to the best of our information and according to the explanations given to us, except for the effects/ possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding company and its associate companies, which are companies incorporated in India have maintained, in all material respects, adequate 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, 2022, 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").

We have considered the material weakness/es identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 consolidated financial statements of the Company, and these material weaknesses do not affect our opinion on the consolidated financial statements of the Company.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, its associate companies and jointly controlled 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 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 Holding company, its subsidiary companies, its associate companies and jointly controlled 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 adequate 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 Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India.

Meaning of Internal Financial Controls ith 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 ith 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Naresh Anand
Partner
Membership No. 503662
UDIN: 22503662AKJNYW3627

Place: Chandigarh
Date: June 06, 2022

AVG Logistics Limited
Consolidated Balance Sheet as at March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,177.53	1,177.53
Reserves and surplus	3	7,284.84	6,682.51
		8,462.37	**7,860.04**
Non-current liabilities			
Long-term borrowings	4	6,776.67	3,861.97
Other long term liabilities	5	538.32	393.31
Long term provisions	6	84.80	64.85
		7,399.78	**4,320.13**
Current liabilities			
Short-term borrowings	7	4,768.08	6,792.20
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises; and		0.82	9.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,757.14	1,706.10
Other current liabilities	9	2,478.74	2,295.24
Short-term provisions	10	36.19	24.61
		10,040.97	**10,827.60**
		25,903.12	**23,007.77**
ASSETS			
Non-current assets			
Property, plant and equipment	11(a)	8,178.10	6,351.51
Capital work-in-progress	11(a)	4.67	222.19
Intangible assets	11(b)	0.41	1.58
Non-current investments	12	1,000.52	998.36
Deferred tax assets (net)	13	221.81	144.99
Long term loans and advances	14	1,157.15	1,290.01
Other non current assets	15	673.75	415.56
		11,236.41	**9,424.19**
Current assets			
Inventories	16	13.45	35.19
Trade receivables	17	9,133.51	8,365.16
Cash and bank balances	18	517.55	575.72
Short-term loans and advances	19	2,991.39	3,050.81
Other current assets	20	2,010.81	1,556.70
		14,666.71	**13,583.58**
		25,903.12	**23,007.77**

See accompanying notes to the consolidated financial statements 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

Naresh Anand
Partner
Membership No.: 503662

Place: Chandigarh
Date: June 06, 2022

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

Sanjay Gupta
Managing Director
DIN : 00527801

Asha Gupta
Director
DIN : 02864795

Gurpreet Singh Luthra
Chief Financial Officer

Mukesh Kumar Nagar
Company Secretary

Place: Delhi
Date: June 06, 2022

AVG Logistics Limited
Consolidated statement of Profit and Loss for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	21	43,207.67	33,339.24
Other income	22	65.33	118.81
Total income		**43,273.00**	**33,458.05**
Expenses			
Employee benefits expense	24	1,606.60	1,234.13
Finance costs	25	1,456.78	1,220.99
Depreciation and amortization expense	11	637.34	678.44
Transportation expense	23	35,013.34	26,579.29
Rent expense	26	2,000.79	1,582.24
Other expenses	27	1,711.70	2,499.86
		42,426.54	**33,794.95**
Profit/(loss) before tax and prior period adjustments		**846.46**	**(336.90)**
Prior period income (net)	28		(100.89)
Profit/(loss) before tax		**846.46**	**(236.01)**
Tax expense:	13		
Current tax		120.82	-
Prior year tax/(credit)		202.28	(45.77)
Deferred tax credit		(76.81)	(13.91)
Profit/(loss) for the year		**600.16**	**(176.33)**
Share of (loss)/profit from associates		2.17	4.28
Profit/(loss) for the period/year		**602.33**	**(172.05)**
Earnings per share (in INR absolute numbers)			
Basic and diluted earnings per share (face value INR 10 each)	31	5.12	(1.58)
See accompanying notes to the consolidated financial statements	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

Naresh Anand
Partner
Membership No.: 503662

Place: Chandigarh
Date: June 06, 2022

For and on behalf of the Board of Directors of
AVG Logistics Limited
CIN:L60200DL2010PLC198327

Sanjay Gupta
Managing Director
DIN : 00527801

Asha Gupta
Director
DIN : 02864795

Gurpreet Singh Luthra
Chief Financial Officer

Mukesh Kumar Nagar
Company Secretary

Place: Delhi
Date: June 06, 2022

AVG Logistics Limited
Consolidated Cash Flow Statement for the year ended March 31, 2022
(All amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Net profit/(loss) before tax	846.46	(236.01)
Adjustments for:		
Depreciation and amortisation expense	637.34	678.44
Profit on sale of property, plant and equipment (net)	(11.42)	(1.06)
Finance costs	1,456.78	1,220.99
Interest income	(36.77)	(83.31)
Provision written back to the extent no longer required	-	(8.26)
Provision for doubtful debts	99.94	886.01
Bad debts written off	51.00	211.21
Provision for lorry advance	-	131.62
Lorry advance written off	-	100.60
Provision for employee advances	18.82	-
Provision for loans and advances	139.48	-
Operating cash flows before working capital changes	**3,201.63**	**2,900.23**
Adjustments for changes in working capital:		
Changes in trade payables	1,042.42	(1,024.19)
Changes in provisions	31.52	(38.82)
Changes in other liabilities	378.11	(69.82)
Changes in trade receivables	(919.30)	(1,346.09)
Changes in loans and advances	102.94	268.99
Changes in inventories	21.73	34.16
Changes in other current and non-current assets	(568.10)	(582.33)
Cash generated from operations	**3,290.94**	**141.73**
Taxes paid (net)	(442.97)	(503.76)
Net cash generated from/(used in) operating activities	**2,847.97**	**(362.03)**
B. Cash flows from investing activities:		
Additions to property, plant & equipment, intangible assets, movement in capital work-in progress and capital advances	(2,292.73)	(1,729.49)
Investment in deposits (net)	(200.15)	(57.59)
Proceeds from sale of property, plant and equipment	37.57	25.04
Loans repaid by others parties	71.00	87.63
Interest received	13.36	28.98
Net cash used in investing activities	**(2,370.95)**	**(1,645.43)**
C. Cash flows from financing activities:		
Proceeds from issuance of equity share capital including securities premium	-	650.00
Proceeds from long-term borrowings	4,607.17	2,252.29
Repayment of long-term borrowings	(1,918.73)	(808.63)
Movement in short-term borrowings (net)	(1,797.84)	1,036.34
Interest paid	(1,484.34)	(1,128.48)
Net cash flow (used in)/generated from financing activities	**(593.72)**	**2,001.52**
Net decrease in cash and cash equivalents (A+B+C)	(116.72)	(5.94)
Cash and cash equivalents at beginning of year	337.10	343.04
Cash and cash equivalents at end of the year	**218.38**	**337.10**
Components of cash and cash equivalents:		
Cash on hand	167.55	204.97
Balances with banks:		
On current accounts	50.83	132.13
	218.38	337.10

See accompanying notes to the consolidated financial statements 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

Naresh Anand
Partner
Membership No.: 503662

Place: Chandigarh
Date: June 06, 2022

For and on behalf of the Board of Directors of
AVG Logistics Limited
CIN:L60200DL2010PLC198327

Sanjay Gupta
Managing Director
DIN : 00527801

Asha Gupta
Director
DIN : 02864795

Gurpreet Singh Luthra
Chief Financial Officer

Mukesh Kumar Nagar
Company Secretary

Place: Delhi
Date: June 06, 2022

AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

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

	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of INR 10 each	12,000,000	1,200.00	12,000,000	1,200.00
(previous year equity shares of INR 10 each)				
Issued, subscribed and fully paid up				
Equity Shares of INR 10 each	11,775,271	1,177.53	11,775,271	1,177.53
(previous year equity shares of INR 10 each)				
	11,775,271	**1,177.53**	**11,775,271**	**1,177.53**

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

	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	11,775,271	1,177.53	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**	**11,775,271**	**1,177.53**

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

	As at March 31, 2022		As at March 31, 2021	
	Number	Percentage	Number	Percentage
Mr. Sanjay Gupta	1,716,700	14.58%	1,716,700	14.58%
Mrs. Asha Gupta	5,482,500	46.56%	5,482,500	46.56%
Sixth Sense India Opportunities II	2,826,327	24.00%	2,826,327	24.00%

The above information is furnished as per the shareholder register as on March 31, 2022.

(c) Promoter's Shareholding

	As at March 31, 2022			As at March 31, 2021	
	Number	Percentage	Percentage Change	Number	Percentage
Mr. Sanjay Gupta	1,716,700	14.58%	--	1,716,700	14.58%
Mrs. Asha Gupta	5,482,500	46.56%	--	5,482,500	46.56%
Mrs. Niti Gupta	6,000	0.05%	--	6,000	0.05%

(d) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed. However, the Company has not distributed any dividend during the current year and previous year.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

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AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

3 Reserves and surplus	As at March 31, 2022	As at March 31, 2021
Securities premium		
Opening balance	3,161.79	2,659.52
Add: Premium on issue of shares	-	502.27
Closing balance	**3,161.79**	**3,161.79**
Surplus in Statement of Profit and Loss		
Opening balance	3,520.72	3,692.76
Add: Profit/(loss) for the year	602.33	(172.05)
Closing balance	**4,123.05**	**3,520.72**
	7,284.84	**6,682.51**

4 Long-term borrowings		
Secured loan		
Term loans from bank including vehicle loan	6,909.65	3,708.34
Less: Current maturities (refer note 7)	(999.00)	(953.97)
Term loans from non banking financial institutions (NBFC) including vehicle loan	1,521.21	2,034.10
Less: Current maturities (refer note 7)	(655.19)	(926.50)
	6,776.67	**3,861.97**

Notes:

a) The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.

b) Terms of loans:

Nature of lender	Terms of repayment and rate of interest (ROI) % (per annum)	Details of securities against borrowings	As at March 31, 2022	As at March 31, 2021
Loans from banks				
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	969.82	1,054.46
Punjab National Bank	Repayable in 18 installments with ROI 8.25%	The primary security is book debts and stock.	57.73	273.61
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	-
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 securty. Facility under this scheme is secured through gurantee coverage from NCGTC.	703.12	750.00
Indian Bank	Repayable in 48 EMI's after an initial holiday period of 24 months.Holiday period interest to be served as & when debited viz. Monthly. MCLR- 1Year + 1%:8.35% pa presently.	Hypothecation of receivables including advance to suppliers & other current assets; Industrial plot, Agartala, West Tripura; Industrial plot Mysore, Karnataka; and Residual value on these two warehouses with second Paripassu with PNB.	939.99	-
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	902.78	209.68

AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Nature of lender	Terms of repayment and rate of interest (ROI) % (per annum)	Details of securities against borrowings	As at March 31, 2022	As at March 31, 2021
Loans from banks (Cont'd)				
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)	319.30	532.06
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)	14.36	18.62
Union Bank of India	Repayable in 48 monthly installments with ROI 10.7%.	Hypothecation of vehicle (Car)	-	0.86
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)	13.50	19.60
HDFC Bank	Repayble in 36 monthly installments with ROI 11.25%	Hypothecation of vehicle (Car)	0.36	1.72
Indian Bank	Repayble in 72 monthly installments with ROI 7.90%	Hypothecation of vehicle (Car)	8.79	10.14
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)	50.45	149.64
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)	429.43	646.71
Loans from NBFC				
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)	27.61	60.62
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)	187.85	398.60
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)	158.35	27.01
Mahindra and Mahindra Finance	Repayable in 52 monthly installments with ROI 11.51%.	Hypothecation of vehicle (Truck)	87.57	137.97
Sundaram Finance Limited	Repayable in 50 to 60 monthly installments with ROI ranging from 9.96% and 11.96%.	Hypothecation of vehicle (Truck)	358.31	552.95
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)	363.35	277.30
Volkswagen Finance Private Limited	Repayable in monthly installments ranging from 36 to 48 months with ROI 10% and 10.5%	Hypothecation of vehicle (Truck)	313.53	573.21
Equitas Small Finance Bank	Repayable in 50 monthly installments with ROI 11%.	Hypothecation of vehicle (Truck)	24.64	47.67

AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

5 Other long term liabilities	As at March 31, 2022	As at March 31, 2021
Security deposits	126.43	48.93
Deferred lease liability	411.90	344.39
	538.32	393.31

6 Long term provisions		
Provision for gratuity	84.80	64.85
	84.80	64.85

7 Short-term borrowings		
Secured loan		
- From banks	2,789.14	4,587.03
Unsecured loan		
- From associate Company	324.75	324.70
Current maturities of long term borrowings (refer note 4)	1,654.19	1,880.47
	4,768.08	6,792.20

Nature of lender	Terms of repayment and rate of interest (ROI) % (per annum)	Details of securities against borrowings	As at March 31, 2022	As at March 31, 2021
Indian Bank	Repayable on demand with ROI 10.45%	Hypothecation of receivables including advance to suppliers & other current assets; Industrial plot, Agartala, West Tripura; Industrial plot Mysore, Karnataka; and Residual value on these two warehouses with second Paripassu with PNB.	1,006.34	773.15
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)	1,750.00	1,083.47
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	32.80	33.73
Punjab National Bank	Foreign currency loan repayable in 3 installments starting fromJanuary 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

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AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

8 Trade payables	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	0.82	9.45
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,757.14	1,706.10
	2,757.96	1,715.55

Notes:
a) Refer note 37 for detailed ageing schedule for trade payables

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 in respect of payments due to any supplier as at March 31, 2022 are as follows:

(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
- Principal amount	0.82	9.45
- Trade Payable		
- The interest due thereon	-	-
- Trade Payable	-	-
(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		
Payable in respect of purchase of property, plant and equipment	142.20	164.25
Goods and service tax payable	1,091.08	1,152.18
Other statutory dues	114.98	38.04
Interest payable on statutory dues	334.29	184.54
Interest accrued and due on borrowings	36.15	66.74
Interest accrued but not due on borrowings	18.63	15.60
Employees related payables (refer note (b) below)	233.13	177.88
Advance from customers	69.09	108.57
Security deposits	169.15	184.65
Other payables (refer note (a) below)	270.03	202.80
	2,478.74	2,295.24

Notes:

a) Refer note 30 for amount payable to related parties	194.72	186.45
b) Refer note 30 for salary payable to related parties	13.48	17.20

10 Short-term provisions		
Provision for leave encashment	11.99	6.08
Provision for gratuity	24.20	18.54
	36.19	24.61

(This space has been intentionally left blank)

AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

11 (a) Property, plant and equipment

Particular	Freehold land	Leasehold land	Vehicle	Trucks	Furniture and 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, 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**
Addition	16.26	-	8.88	1,675.92	12.79	24.42	53.89	684.24	13.20	**2,489.60**	2,075.77
Disposals	-	-	-	194.51	-	-	-	-	-	**194.51**	2,293.29
As at March 31, 2022	**208.32**	**35.88**	**331.61**	**8,959.76**	**90.86**	**228.33**	**1,238.13**	**1,748.61**	**103.11**	**12,944.61**	**4.67**
Accumulated depreciation											
As at April 01, 2020	-	2.91	166.22	3,358.28	27.66	117.33	-	-	59.81	**3,732.21**	
Charge for the year	-	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**	
Charge for the year	-	1.50	31.61	505.36	8.07	23.82	20.22	36.13	10.64	**637.34**	
Disposals	-	-	-	168.84	-	-	-	-	-	**168.84**	
As at March 31, 2022	**-**	**5.55**	**217.31**	**4,180.15**	**42.45**	**161.72**	**30.49**	**49.71**	**78.99**	**4,766.36**	
Net block											
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**	
As at March 31, 2022	**208.32**	**30.33**	**114.30**	**4,779.61**	**48.42**	**66.61**	**1,207.64**	**1,698.90**	**24.12**	**8,178.10**	

Notes:
Refer note 37 for detailed ageing schedule for capital work-in-progress.
Refer note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
Refer note 4 and 7 for information related to property, plant and equipment pledged as security by the Company.

AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

11 (b). Intangible assets

	Software	Total
Gross block		
As at April 01, 2020	9.42	9.42
As at March 31, 2021	9.42	9.42
As at March 31, 2022	9.42	9.42
Accumulated amortisation		
As at April 01, 2020	5.57	5.57
Charge for the year	2.27	2.27
As at March 31, 2021	7.84	7.84
Charge for the year	1.17	1.17
As at March 31, 2022	9.01	9.01
Net block		
As at March 31, 2021	1.58	1.58
As at March 31, 2022	0.41	0.41

12 Non-current investments

	As at March 31, 2022	As at March 31, 2021
Unquoted Investment		
Equity Instrument (refer note a below)		
(9,845,697 Equity shares of INR 10 each fully paid-up in NDRAVG Business Park Pvt Ltd)	997.04	992.58
Share of (loss)/profit from associates	2.61	4.46
Investment in Capital of Limited Liability Partnership		
NDR AVG Logistics LLP (refer note b below)	1.32	1.50
Share of (loss) from enterprise	(0.44)	(0.18)
	1,000.52	998.36
Aggregate amount of unquoted non-current investment	1,000.52	998.36
Aggregate provision made for diminution in value of investment	-	-

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

(b) Investment in limited liability partnership firm

	Share in profits (%)	
Name of the partners		
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

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Provision for retirement benefits	30.45	22.52
Provision for lorry advance	36.53	36.53
Provision for employee advance	8.14	3.27
Provision for doubtful debts	359.24	334.09
Provision for other advances	35.11	-
Provision for non payment of GST	177.60	-
Provision for bonus	13.33	8.67
Deferred lease liability	103.67	86.68
Share Issue expense	49.55	33.04
Total (A)	813.62	524.78
Deferred tax liability		
Property, plant and equipment	(539.08)	(331.24)
Deferred leased asset	(52.74)	(48.56)
Total (B)	(591.82)	(379.80)
Net deferred tax assets/(liabilities) (A - B)	221.81	144.99

AVG Logistics Limited
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(All amounts in INR Lakhs, unless otherwise stated)

Reconciliation of deferred tax assets, net	As at March 31, 2022	As at March 31, 2021
Opening balance as of 1 April	144.99	131.09
Tax income during the period recognized in Statement of Profit and Loss	76.81	13.91
Closing balance as at 31 March	221.81	144.99

Major components of income tax expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit and loss section		
Current income tax	120.82	-
Adjustment for earlier years	202.28	(45.77)
Deferred tax	(76.81)	(13.91)
	246.29	(59.68)

Neither deferred tax nor current tax relating to any component has been charged or credited directly to equity.

Reconciliation of tax expense with the accounting tax based on India's domestic tax rate		
Accounting profit before income tax	846.46	(236.01)
	846.46	(236.01)
Tax calculated at India's standard statutory tax rates 25.168% (Previous year: 25.168%)	213.03	-
Difference in tax as per books and tax as per table above	33.27	(59.68)
Reason for differences:		
Permanent differences	7.07	8.10
Others	26.19	(67.78)
	33.27	(59.68)

14 Long term loans and advances

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Capital advances	-	0.72
Other loans and advances	-	252.00
Advance tax and tax deducted at source	1,157.15	1,037.28
(Net of provision 120.82 (Previous year: Nil)		
	1,157.15	1,290.01

15 Other non current assets

Term deposits with banks*	161.09	21.49
Deferred lease income	209.55	192.93
Security deposits	303.10	201.14
	673.75	415.56

*Deposit are lien marked against bank guarantee and letter of credit

16 Inventories

Consumables & spare parts (at cost)	13.45	35.19
	13.45	35.19

17 Trade receivables

Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	-	2,172.29
Others	9,133.51	6,192.87
	9,133.51	8,365.16
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	1,427.38	1,327.43
Less: provision for doubtful receivable	(1,427.38)	(1,327.43)
	9,133.51	8,365.16
Notes:		
Refer note 37 for detailed ageing schedule for trade recievables.		
Refer note 30 for amount recievable from related parties	14.73	84.95

AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

18 Cash and bank balances	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalent		
Bank balance in current account	50.83	132.13
Cash on hand	167.55	204.97
	218.38	337.10
Other bank balances		
Bank balance in term deposit account*	299.17	238.62
	517.55	575.72

*Deposit are lien marked against bank gurantee and letter of credit

19 Short-term loans and advances		
Unsecured, Considered Good		
Prepaid expenses	123.56	59.50
Advance to suppliers	1,273.63	1,039.15
Balance with government authorities	188.92	222.15
Other loans and advances	381.91	245.73
Lorry trip advance	908.01	1,377.50
Advance to employees	115.36	106.78
	2,991.39	3,050.81
Unsecured, Considered doubtful		
Lorry trip advance	132.11	131.61
Other loans and advances	44.82	-
Advance to employees	32.36	13.51
	209.29	145.15
Less: Provision for doubful advances	(209.29)	(145.15)
	-	-
	2,991.39	3,050.81

20 Other current assets		
Unbilled revenue	1,616.78	1,052.56
Interest accrued on unsecured loan to other parties	231.34	207.93
Other receivables	38.54	20.98
Security deposits	218.82	275.24
	2,105.47	1,556.70
Less: Provision for accured interest	(94.66)	-
	2,010.81	1,556.70
	2,010.81	1,556.70

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AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

		Year ended March 31, 2022	Year ended March 31, 2021
21	**Revenue from operations**		
	Sale of Services		
	Freight income	41,001.99	31,577.56
	Warehousing income	1,980.39	1,587.74
	Other Operating Revenue		
	Sub-lease income	225.28	173.95
		43,207.67	**33,339.24**
22	**Other income**		
	Interest income	36.77	83.31
	Provision written back to the extent no longer required	-	8.26
	Profit on sale of property, plant and equipment	11.42	1.06
	Profit on sale of traded goods - high sea sales	0.64	5.59
	Miscellaneous income	16.51	20.59
		65.33	**118.81**
23	**Transportation expense**		
	Transportation expense	35,013.34	26,579.29
		35,013.34	**26,579.29**
24	**Employee benefits expense**		
	Salaries, wages and bonus	1,271.86	1,009.14
	Contribution to provident and other funds (refer note 35)	86.44	69.58
	Directors remuneration	134.50	119.90
	Staff welfare expenses	113.80	35.51
		1,606.60	**1,234.13**
25	**Finance costs**		
	Interest on cash credit facility	454.79	258.85
	Interest on truck loan and car loan	624.77	383.01
	Interest on Term Loan	-	127.31
	Interest on late deposit of statutory dues	172.66	220.45
	Other borrowing costs	204.55	231.37
		1,456.78	**1,220.99**
26	**Rent expense**		
	Rent expenses	2,000.79	1,582.24
		2,000.79	**1,582.24**

AVG Logistics Limited
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

27 Other expenses	Year ended March 31, 2022	Year ended March 31, 2021
Business promotion	92.34	75.97
Bank charges	51.56	64.47
Repair and maintenance expenses- property, plant and equipment	325.22	368.16
Repair and maintenance expenses - others	101.42	58.98
Conveyance and travelling expenses	163.93	82.36
Electricity and water charges	23.96	28.26
Office expenses	250.41	131.14
Postage and courier expenses	38.83	21.50
Printing and stationery expenses	31.02	16.00
Director sitting fees	9.75	10.00
Rates and taxes	27.43	29.61
Legal and professional charges (refer note 28)	137.16	141.52
Commission expenses	15.93	23.31
Donation	8.02	6.87
Festival expenses	21.54	40.39
Provision for doubtful debts	99.94	886.01
Provision for loans and advances	139.48	-
Bad debts written off	51.00	211.21
Provision for lorry advance	-	131.62
Lorry trip advance written off	-	100.60
Provision for employee advances	18.82	-
Corporate social responsibility activities (refer note 38)	12.42	21.87
Advances written off	0.46	12.24
Miscellaneous expenses	91.06	77.68
	1,711.70	2,499.38

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AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

28 Payment to auditors (excluding taxes)

	Year ended March 31, 2022	Year ended March 31, 2021
In capacity as auditor		
Statutory audit*	26.00	22.50
Limited review	6.00	6.00
Certification work	-	1.30
Reimbursement of expenses	1.62	0.49
	33.62	30.29

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

29 Prior period expense/ (income)

Legal and professional charges	-	2.77
Repair and Maintenance	-	6.83
Sub-lease income	-	(102.10)
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)

30 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

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
(iii) Key management personnel (KMP)	
Managing Director	Sanjay Gupta
Women Director	Asha Gupta (wife of Sanjay Gupta)
Chief Financial Officer	Gurpreet Singh
Chief Operating Officer	Nagendra Kumar Sharma
Company Secretary	Laveena Jain (till October 12, 2021)
Company Secretary	Mukesh Nagar (with effect from December 10, 2021)
(iv) Relative of key management person (KMP)	
Son of Sanjay Gupta and Asha Gupta	Vinayak Gupta
Wife of Vinayak Gupta	Anjali Gupta

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

B. Transaction with related parties

	Year ended March 31, 2022	Year ended March 31, 2021
Transportation expenses		
Enterprises over which the key management personnel have the significant influence		
MA Enterprises	1.17	3.92
Freight income		
Enterprises over which the key management personnel have the significant influence		
PCG Logistics Private Limited	64.40	31.77
Directors' remuneration		
Key management personnel (KMP)		
Sanjay Gupta	74.90	65.40
Asha Gupta	60.40	54.50
Employee benefits expense		
KMP and its relatives		
Vinayak Gupta	48.40	42.60
Gurpreet Singh	46.51	34.64
Laveena Jain	2.58	4.83
Mukesh Nagar	1.85	-
Nagendra Kumar Sharma	39.11	-
Loan from director		
KMP		
Sanjay Gupta	210.24	-

C. Balance outstanding as at year end

	As at March 31, 2022	As at March 31, 2021
Other payables		
Enterprises over which the key management personnel have the significant influence		
NDR AVG Logistics LLP	6.87	6.25
MA Enterprises	9.17	1.52
Associate		
NDRAVG Business Park Private Limited	178.68	178.68
Employee related payable		
KMP and its relatives		
Sanjay Gupta	1.12	5.47
Asha Gupta	1.35	6.52
Vinayak Gupta	0.03	-
Gurpreet Singh	5.92	5.22
Mukesh Nagar	0.50	-
Nagendra Kumar Sharma	4.57	-
Short-term borrowings		
Associate		
NDRAVG Business Park Private Limited	324.75	324.70
Advance to employees		
KMP and its relatives		
Vinayak Gupta	-	7.42
Investments		
Associates		
NDR AVG Logistics LLP - Investment	0.88	1.32
NDRAVG Business Park Private Limited - Investment	999.65	997.04
Trade recievables		
Enterprises over which the key management personnel have the significant influence		
Maple Packaging and Logistics	-	0.51
PCG Logistics Private Limited - Trade receivable	14.73	84.43

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

31 Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. The Company does not have any outstanding potential equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit after tax attributable to equity shareholders (amount in INR lakhs)	600.16	(176.33)
Basic and diluted average equity shares (in numbers)	11,775,271	11,775,271
Basic and diluted earning per share (in INR absolute numbers)	5.10	(1.58)
Nominal value of equity shares (in INR absolute numbers)	10.00	10.00

32 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 302.36 lakhs (previous year INR 426.46 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:

	As at March 31, 2022	As at March 31, 2021
Payable within one year	251.43	210.91
Payable between one and five years	1,002.38	989.90
Payable later than five years	1,460.21	1,402.86
	2,714.03	**2,603.67**

33 Contingent liabilities

	As at March 31, 2022	As at March 31, 2021
Interest and other charges on late payment of instalments	-	85.43
Bank guarantee	978.33	578.44
	978.33	**663.87**

34 Capital and other commitments

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account- net of advances of Nil and Capital work in progress of INR 4.67 lakhs (Previous year net of advances of INR 0.72 lakhs and Capital work in progress of INR 222.19 lakhs)	0.92	18.53
Total capital commitments	**0.92**	**18.53**

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AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

35 **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:-

	As at March 31, 2022	As at March 31, 2021
Employers contribution to provident fund	70.36	55.10
Employers contribution to employee state insurance and other fund	16.08	14.48
Total	**86.44**	**69.58**

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

	As at March 31, 2022	As at March 31, 2021
Discount rate (per annum)	6.19%	5.79%
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%	32.00%

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:

Opening present value of obligation	83.38	88.55
Interest cost	4.83	5.01
Current service cost	17.72	14.45
Actuarial loss/ (gain) on obligation	3.06	(24.63)
Closing present value of obligation	**108.99**	**83.38**

C. Expense recognised in the Statement of Profit and Loss

Current service cost	17.72	17.90
Interest cost	4.83	4.26
Net actuarial loss/(gain) to be recognized	3.06	7.99
Expense recognised in the Statement of Profit and Loss (Refer note below)	**25.60**	**30.15**

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

Present value of defined benefit obligation	108.99	83.38
Net funded status	(108.99)	(83.38)
Recognised under:		
Short term provision (refer note 10)	24.20	18.54
Long term provision (refer note 6)	84.80	64.85

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

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

	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
PBO	108.99	83.38	88.55	58.41	53.93
Net assets/(liability)	(108.99)	(83.38)	(88.55)	(58.41)	(53.93)
Experience gain/(loss) on PBO	(3.06)	24.63	(7.98)	13.32	-

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

	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity	25.65	20.24

36 Segment reporting

Primary segment

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'.

	Year ended March 31, 2022	Year ended March 31, 2021
A. Segment Revenue		
Logistics business	43,273.00	33,458.05
Total Revenue from operations	**43,273.00**	**33,458.05**
B. Segment Results		
Expenses		
Logistics business	42,426.54	33,694.06
Total	**42,426.54**	**33,694.06**
Profit before tax	**846.46**	**(236.01)**
C. Segment Assets		
Logistics business	25,903.12	22,995.48
Total	**25,903.12**	**22,995.48**
D. Segment Liabilities		
Logistics business	17,440.75	15,147.73
Total	**17,440.75**	**15,147.73**

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AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

37 Ageing Schedule

(a) Trade Receivable ageing schedule

March 31, 2022

Particulars	Outstanding for following periods from due date of receipts					Total
	Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables - considered good	6,633.74	1,460.81	598.38	302.01	138.58	9,133.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	80.87	205.04	492.68	642.89	1,421.48
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	5.89	5.89
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	(80.87)	(205.04)	(492.68)	(648.79)	(1,427.38)
Net Balance	6,633.74	1,460.81	598.38	302.01	138.58	9,133.51

March 31, 2021

Particulars	Outstanding for following periods from due date of receipts					Total
	Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables - considered good	6,192.87	811.08	870.97	340.55	149.69	8,365.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	41.68	102.89	834.20	342.77	1,321.54
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	5.89	5.89
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	(41.68)	(102.89)	(834.20)	(348.66)	(1,327.44)
Net Balance	6,192.87	811.08	870.97	340.55	149.69	8,365.16

(b) Trade Payable ageing schedule

March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	0.82	-	-	-	0.82
(ii) Others	2,314.11	342.01	81.41	19.62	2,757.14
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-

March 31, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	9.45				9.45
(ii) Others	566.38	974.08	116.54	49.10	1,706.10
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

(c) Capital work-in progress ageing schedule

March 31, 2022

i) For Capital-work-in progress ageing schedule

Particulars	Amout in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	4.67	-	-	-	4.67

ii) For Capital-work-in progress completion schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.67	-	-	-	4.67

March 31, 2021

i) For Capital-work-in progress ageing schedule

Particulars	Amout in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	222.19	-	-	-	222.19

ii) For Capital-work-in progress completion schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	222.19	-	-	-	222.19

(This space has been intentionally left blank)

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

38 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

	Year ended March 31, 2022	Year ended March 31, 2021
a) Gross amount required to be spent by the Company	11.90	21.15
b) Amount approved by the Board to be spent during the year	11.90	21.15
c) Detail of amount spent during the financial year		
i) Construction/ acquisition of any asset		
ii) On purposes other than mentioned in (i) above	12.42	21.87
d) Amount remaining unspent during the financial year	-	-

The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous
The Company does not wish to carry forward any excess amount spent during the year.
The Company does not have any ongoing projects as at March 31, 2022.
The nature of CSR activities undertaken by the Company is below mentioned:

S. No.	Area	Activities	Amount spent
1	Animal welfare	Pitro paksh donation and shed	2.01
2	Education	Mid Day Meal/Annadana	1.00
3	Health	Mresca Oxygen Concentrator	9.41
	Total		**12.42**

39 Accounting ratios

Ratio	March 31, 2022		March 31, 2021		Ratio as on	Ratio as on	Variation
	Numerator	Denominator	Numerator	Denominator	March 31, 2022	March 31, 2021	
(a) Current Ratio	14,666.71	10,040.97	13,583.58	10,827.60	1.46	1.25	16%
(b) Debt-Equity Ratio	11,544.76	8,447.91	10,654.17	7,847.75	1.37	1.36	1%
(c) Debt Service Coverage Ratio	2,940.57	4,768.08	1,663.43	6,792.20	0.62	0.24	152%
(d) Return on Equity Ratio	600.16	8,447.91	(176.33)	7,847.75	0.07	(0.02)	-416%
(e) Inventory Turnover Ratio	43,207.67	13.45	33,339.24	35.19	3,211.94	947.54	239%
(f) Trade Receivables Turnover Ratio	43,273.00	9,133.51	33,458.05	8,365.16	4.74	4.00	18%
(g) Trade Payables Turnover Ratio	35,013.34	2,757.95	26,579.29	1,715.55	12.70	15.49	-18%
(h) Net Capital Turnover Ratio	43,207.67	4,625.74	33,339.24	2,755.98	9.34	12.10	-23%
(i) Net Profit Ratio	600.16	43,207.67	(176.33)	33,339.24	0.01	(0.01)	-363%
(j) Return on Capital Employed	2,303.23	8,447.91	984.98	7,847.75	0.27	0.13	117%
(k) Return on Investment	2,303.23	25,888.67	984.98	22,995.48	0.09	0.04	108%

The significant change in the above ratios is on account of the fact that the Company has streamlined its lorry advance and other amount recoverable settlements, leading to decrease in actual provisions/ expenses during the year.

40 Disclosure of transactions with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

41 Compliance with Schedule III

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
a) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
b) The Company does not have any Benami Property, where any proceeding has been initiated or pending against the company for holding any Benami Property.

c) The Company has not been declared as wilful deafulter by any bank or financial institution.
d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
e) The Company, during the current year, has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
-directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
-provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f) The Company, during the current year, has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
-directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
-provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

42 Code on Social Security, 2020

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.

43 Disclosure in relation to undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

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

46 The Company provides logistics services to its customers majorly dealing in "essential commodity" and accordingly majority of the business operations of the Company are dependent upon the demand from these customers.

The extent to which COVID-19 pandemic will impact the Company's future results will depend on developments which cannot be predicted with certainty, including any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. The Company will continue to closely monitor any material changes to future economic conditions and respond accordingly.

The Company does not perceive any mid to long term impact on it's operations given that it continues to provide services to its existing customers dealing in "essential commodity" and transportation restrictions for these products had been liberalized by most of the states in the country.

The pandemic though has not impacted the revenue growth of the Company, but it impacted certain class of customers and other parties from whom the collections have been impacted. The extension of COVID-19 restrictions has not helped the cause which has slowed down the recovery process. In the current year, the operational costs were impacted by the changes in demand and supply of trucks and in addition, certain recoveries from loans given to parties still remains pending. These parties are in the financial services sector/real estate activities which were impacted due to COVID-19 pandemic. Basis Management's discussion with these parties and the payment plan agreed, such amounts will be fully recovered in near short-term since their businesses are showing signs of returning to normalcy. However, provision has been recognised in the consolidated financial statements wherever considered necessary.

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 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.

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	AVG Logistics Limited	NDR AVG Logistics	NDRAVG Business Park Private Limited
	Parent	Associate	Associate
For the year ended March 31, 2022			
Net assets	8,462.37	2.61	(0.44)
Share in profit/(loss)	600.16	2.61	(0.44)
For the year ended March 31, 2021			
Net assets	7,860.04	4.46	(0.18)
Share in profit/(loss)	(176.33)	4.46	(0.18)

49 Previous year figures have been regrouped/ reclassified to confirm presentation as per AS and as required by Schedule III of the Act.

As per our report of even date

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

Naresh Anand
Partner
Membership No.: 503662

Place: Chandigarh
Date: June 06, 2022

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

Sanjay Gupta
Managing Director
DIN : 00527801

Asha Gupta
Director
DIN : 02864795

Gurpreet Singh Luthra
Chief Financial Officer

Mukesh Kumar Nagar
Company Secretary

Place: Delhi
Date: June 06, 2022

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022

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, 2022 were approved by the Board of Directors on June 06, 2022.

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 knows 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:

			%Ownership Interest	
S. No.	Name of the Entity	Country of Incorporation	As at March 31, 2022	As at March 31, 2021
1.	NDRAVG 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.

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022

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.

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022

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.

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022

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

AVG Logistics Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2022

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.

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, 2022, 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.

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, 2022, and profit 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 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 following matter in the Notes to the standalone financial statements:

Note 46 which states that management has made 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, 2022. The management has prepared an action plan for collection of long outstanding balances including the need of any write downs. The management has accordingly concluded that necessary impact have been considered and recognized in the standalone financial statements.

Our opinion is not modified in respect of this matter.

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 for the year ended March 31, 2022 (current year). 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.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Revenue Recognition** We refer to note 1 (b) (ix) to the standalone financial statements. 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. Revenue is recognised on billed amount and unbilled amount. The Company and its external stakeholders focus on revenue as a key performance indicator. We have determined this matter to be key audit matter considering the materiality of the amounts and significant judgements and estimates involved.	Our audit procedures in respect of this area include but are not limited to: 1. 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. 2. Assessing the compliance of revenue recognition accounting policies. 3. Performing substantive cut-off testing by selecting statistical samples of revenue transactions recorded at year-end and agreeing to the underlying documents. 4. Performed analytical procedures for ascertaining reasonableness of estimates used in recognition of revenue. 5. Testing underlying evidence with respect to revenue.
2	**Allowance for Trade receivables** We refer to note 17 to the standalone financial statements, the Company has allowance for trade receivables amounting to Rs. 1,427.38 lakhs as on March 31, 2022. Management creates allowance for trade receivables basis facts and circumstances of each case and the ageing of the debit balances. The Company assesses the recovery of all the debit balances on case to cas basis. Further, the balances which are long outstanding are actively pursued. We have determined this matter to be key audit matter considering the materiality of the amounts and significant judgements involved.	Our audit procedures in respect of this are included but not limited to: 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. Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating allowance for trade receivables; 5. Assessed the appropriateness of presentation/ disclosure in the standalone financial statements. 6. Verified subsequent recovery of Trade receivables by tracing them in the books of accounts and bank statement on test check basis.
3	**Lorry advances** We refer to note 19 to the standalone financial statements, the Company has net outstanding lorry advances amounting to Rs. 908.01 lakhs as at March 31, 2022. The Company did not have a process in place to timely reconcile the advances paid to the truck drivers with the corresponding expense	Our audit procedures in respect of this are included but not limited to: 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 outstanding balances. 3. Assessed the appropriateness of presentation/ disclosure in the standalone financial statements. 4. Obtained an understanding of the systems,

	settlement. However, during the year the management spent a significant time in setting up a process and reconciled the advances paid with expense settlement. We have determined this matter to be key audit matter considering the extent of audit efforts in relation to the reconciliation of advances paid with expense settlement.	processes and control implemented by management for recording and reconciliation of advances paid with expense settlement; 5. Verified reconciliation and subsequent recovery of lorry advances against the corresponding expense settlement.
4	**Impairment of assets** We refer to note 1 (b) (vi) to the standalone financial statements. The Company has a warehouse at Agartala, Tripura having carrying value amounting to Rs. 1,016.56 lakhs as at March 31, 2022. This warehouse has been capitalised in the financial year 2020-21 and has not been operational since its capitalisation. We have determined this matter to be key audit matter considering the materiality of the amounts and significant judgements and estimates involved.	Our audit procedures in respect of this are included but not limited to: 1. Read the Company's accounting policies with respect to impairment in accordance with AS 28 "Impairment of assets" 2. Obtained an understanding of the systems, processes and controls implemented by management for assessment and recording, if required, for impairment of assets. 3. Enquired into the reasons for non-operation of the warehouse since capitalization and assessed them for any impairment indicators. 4. Involved auditor's expert to assess the appropriateness of the key assumptions and estimates used by the valuers in determination of the fair value of warehouse. 5. Assessed the disclosures in accordance with the requirements of AS 28 "Impairment of assets".

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'.

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 of 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, the 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 the 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "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. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position.

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

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

   iv. (a) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
   (b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
   (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

   v. The Company has neither declared nor paid any dividend during the year.

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

Naresh Anand
Partner
Membership No. 503662
UDIN: 22503662AKJNUR6452

Place: Chandigarh
Date: June 06, 2022

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 standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2022 (current year) and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No. 105047W

Naresh Anand
Partner
Membership No. 503662
UDIN: 22503662AKJNUR6452

Place: Chandigarh
Date: June 06, 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AVG LOGISTICS LIMITED FOR THE YEAR ENDED MARCH 31, 2022

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

i.

(a) A. The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) All the 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 (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.

ii.

(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) 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, investments, guarantees and security made.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

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 services 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, undisputed statutory dues including provident fund and employees' state insurance have been deposited with slight delays and undisputed statutory dues including goods and service tax, income-tax, sales-tax, service tax duty of custom, duty of excise, value added tax, cess have not been regularly deposited by the company with the appropriate authorities and there have been serious delays in large number of cases.

Statutory dues which were outstanding, as at March 31, 2022 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 Rs.(in lakhs)**	**Period to which the amount relates**	**Due Date**	**Date of Payment**
Goods and Service Tax, 2017	Goods and Services tax	121.88	August 2020	September 2020	Not yet paid
Goods and Service Tax, 2017	Goods and Services tax	163.01	September 2020	October 2020	Not yet paid

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to except in the cases, details of which are in Annexure 1.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and 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.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x.

(a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

(a) 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 nor on the Company.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2022, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

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) (a) to (c) 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 standalone financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports issued by internal auditors during our audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi.

(a) 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)(a) of the Order are not applicable to the Company.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3(xvi)(b) of the Order are not applicable to the Company

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3(xvi)(c) of the Order are not applicable to the Company.

(d) The Company does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph clause 3(xvi)(d) of the Order are not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, Company has incurred cash losses amounting to Rs. 362.03 lakhs during the immediately preceding financial year but has not incurred any cash losses during the current financial year.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3(xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report. Accordingly, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

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

Naresh Anand
Partner
Membership No. 503662
UDIN: 22503662AKJNUR6452

Place: Chandigarh
Date: June 06, 2022

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 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

Qualified Opinion

We have audited the internal financial controls with reference to standalone financial statements of AVG Logistics Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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, 2022:

a) The Company does not have robust policy and controls over cash management in respect to KYC documentation against cash receipts and cash payments. This could potentially result in the company recording of inappropriate cash transactions.

b) The Company does not have 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 and reconciliation of key balances. Not having a formal financial statement closure process could potentially result in the Company processing documents and other accounting records, inaccurately and inconsistently.

c) In case of advance to suppliers, the Company does not have an appropriate internal control system for documentation of corresponding purchase orders, agreements, timely reconciliation with subsequent settlements, etc. which could potentially result in inappropriate settlements and adjustments.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2022, based on the internal control with reference to standalone 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").

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, 2022 standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company.

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 standalone financial statements criteria established by the Company considering the essential components of internal control stated in 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 standalone 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 adequate internal financial controls with reference to standalone 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 internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

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

Naresh Anand
Partner
Membership No. 503662
UDIN: 22503662AKJNUR6452

Place: Chandigarh
Date: June 06, 2022

AVG Logistics Limited
Standalone Balance Sheet as at March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,177.53	1,177.53
Reserves and surplus	3	7,270.38	6,670.22
		8,447.91	**7,847.75**
Non-current liabilities			
Long-term borrowings	4	6,776.67	3,861.97
Other long term liabilities	5	538.32	393.31
Long term provisions	6	84.80	64.85
		7,399.78	**4,320.13**
Current liabilities			
Short-term borrowings	7	4,768.08	6,792.20
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises; and		0.82	9.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,757.14	1,706.10
Other current liabilities	9	2,478.74	2,295.24
Short-term provisions	10	36.19	24.61
		10,040.97	**10,827.60**
		25,888.67	**22,995.47**
ASSETS			
Non-current assets			
Property, plant and equipment	11(a)	8,178.10	6,351.51
Capital work-in-progress	11(a)	4.67	222.19
Intangible assets	11(b)	0.41	1.58
Non-current investments	12	986.07	986.07
Deferred tax assets (net)	13	221.81	144.99
Long term loans and advances	14	1,157.15	1,290.01
Other non current assets	15	673.75	415.56
		11,221.96	**9,411.90**
Current assets			
Inventories	16	13.45	35.19
Trade receivables	17	9,133.51	8,365.16
Cash and bank balances	18	517.55	575.72
Short-term loans and advances	19	2,991.39	3,050.81
Other current assets	20	2,010.81	1,556.70
		14,666.71	**13,583.58**
		25,888.67	**22,995.48**

See accompanying notes to the standalone financial statements 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

Naresh Anand
Partner
Membership No.: 503662

Place: Chandigarh
Date: June 06, 2022

For and on behalf of the Board of Directors of
AVG LOGISTICS LIMITED
CIN:L60200DL2010PLC1983

Sanjay Gupta
Managing Director
DIN : 0052780

Asha Gupta
Director
DIN : 0286479

Gurpreet Singh Luthra
Chief Financial Officer

Mukesh Kumar Nagar
Company Secretary

Place: Delhi
Date: June 06, 2022

AVG Logistics Limited
Standalone statement of Profit and Loss for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	21	43,207.67	33,339.24
Other income	22	65.33	118.81
Total income		**43,273.00**	**33,458.05**
Expenses			
Employee benefits expense	24	1,606.60	1,234.13
Finance costs	25	1,456.78	1,220.99
Depreciation and amortization expense	11	637.34	678.44
Transportation expense	23	35,013.34	26,579.29
Rent expense	26	2,000.79	1,582.24
Other expenses	27	1,711.70	2,499.86
		42,426.54	**33,794.95**
Profit/(loss) before tax and prior period adjustments		**846.46**	**(336.90)**
Prior period income (net)	28		(100.89)
Profit/(loss) before tax		**846.46**	**(236.01)**
Tax expense:	13		
Current tax		120.82	-
Prior year tax/(credit)		202.28	(45.77)
Deferred tax credit		(76.81)	(13.91)
Profit/(loss) for the year		**600.16**	**(176.33)**
Earnings per share (in INR absolute numbers)			
Basic and diluted earnings per share (face value INR 10 each)	31	5.10	(1.58)
See accompanying notes to the standalone financial statements	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

Naresh Anand
Partner
Membership No.: 503662

Place: Chandigarh
Date: June 06, 2022

For and on behalf of the Board of Directors of
AVG Logistics Limited
CIN:L60200DL2010PLC1983

Sanjay Gupta
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Director
DIN : 0286479

Gurpreet Singh Luthra
Chief Financial Officer

Mukesh Kumar Nagar
Company Secretary

Place: Delhi
Date: June 06, 2022

AVG Logistics Limited
Standalone Cash Flow Statement for the year ended March 31, 2022
(All amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Net profit/(loss) before tax	846.46	(236.01)
Adjustments for:		
Depreciation and amortisation expense	637.34	678.44
Profit on sale of property, plant and equipment (net)	(11.42)	(1.06)
Finance costs	1,456.78	1,220.99
Interest income	(36.77)	(83.31)
Provision written back to the extent no longer required	-	(8.26)
Provision for doubtful debts	99.94	886.01
Bad debts written off	51.00	211.21
Provision for lorry advance	-	131.62
Lorry advance written off	-	100.60
Provision for employee advances	18.82	-
Provision for loans and advances	139.48	-
Operating cash flows before working capital changes	**3,201.63**	**2,900.23**
Adjustments for changes in working capital:		
Changes in trade payables	1,042.42	(1,024.19)
Changes in provisions	31.52	(38.82)
Changes in other liabilities	378.11	(69.82)
Changes in trade receivables	(919.30)	(1,346.09)
Changes in loans and advances	102.94	268.99
Changes in inventories	21.73	34.16
Changes in other current and non-current assets	(568.10)	(582.33)
Cash generated from operations	**3,290.94**	**141.73**
Taxes paid (net)	(442.97)	(503.76)
Net cash generated from/(used in) operating activities	**2,847.97**	**(362.03)**
B. Cash flows from investing activities:		
Additions to property, plant & equipment, intangible assets, movement in capital work-in progress and capital advances	(2,292.73)	(1,729.49)
Investment in deposits (net)	(200.15)	(57.59)
Proceeds from sale of property, plant and equipment	37.57	25.04
Loans repaid by others parties	71.00	87.63
Interest received	13.36	28.98
Net cash used in investing activities	**(2,370.95)**	**(1,645.43)**
C. Cash flows from financing activities:		
Proceeds from issuance of equity share capital including securities premium	-	650.00
Proceeds from long-term borrowings	4,607.17	2,252.29
Repayment of long-term borrowings	(1,918.73)	(808.63)
Movement in short-term borrowings (net)	(1,797.84)	1,036.34
Interest paid	(1,484.34)	(1,128.48)
Net cash flow (used in)/generated from financing activities	**(593.72)**	**2,001.52**
Net decrease in cash and cash equivalents (A+B+C)	(116.72)	(5.94)
Cash and cash equivalents at beginning of year	337.10	343.04
Cash and cash equivalents at end of the year	**218.38**	**337.10**
Components of cash and cash equivalents:		
Cash on hand	167.55	204.97
Balances with banks:		
On current accounts	50.83	132.13
	218.38	**337.10**

See accompanying notes to the standalone financial statements 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

Naresh Anand
Partner
Membership No.: 503662

Place: Chandigarh
Date: June 06, 2022

For and on behalf of the Board of Directors of
AVG Logistics Limited
CIN:L60200DL2010PLC1983

Sanjay Gupta
Managing Director
DIN : 0052780

Asha Gupta
Director
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Gurpreet Singh Luthra
Chief Financial Officer

Mukesh Kumar Nagar
Company Secretary

Place: Delhi
Date: June 06, 2022

AVG Logistics Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

2 Share capital

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

	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of INR 10 each	12,000,000	1,200.00	12,000,000	1,200.00
(previous year equity shares of INR 10 each)				
Issued, subscribed and fully paid up				
Equity Shares of INR 10 each	11,775,271	1,177.53	11,775,271	1,177.53
(previous year equity shares of INR 10 each)				
	11,775,271	**1,177.53**	**11,775,271**	**1,177.53**

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

	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	11,775,271	1,177.53	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**	**11,775,271**	**1,177.53**

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

	As at March 31, 2022		As at March 31, 2021	
	Number	Percentage	Number	Percentage
Mr. Sanjay Gupta	1,716,700	14.58%	1,716,700	14.58%
Mrs. Asha Gupta	5,482,500	46.56%	5,482,500	46.56%
Sixth Sense India Opportunities II	2,826,327	24.00%	2,826,327	24.00%

The above information is furnished as per the shareholder register as on March 31, 2022.

(c) Promoter's Shareholding

	As at March 31, 2022			As at March 31, 2021	
	Number	Percentage	Percentage Change	Number	Percentage
Mr. Sanjay Gupta	1,716,700	14.58%	--	1,716,700	14.58%
Mrs. Asha Gupta	5,482,500	46.56%	--	5,482,500	46.56%
Mrs. Niti Gupta	6,000	0.05%	--	6,000	0.05%

(d) Terms/ rights attached to equity shares

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

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

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

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AVG Logistics Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

3 Reserves and surplus	As at March 31, 2022	As at March 31, 2021
Securities premium		
Opening balance	3,161.79	2,659.52
Add: Premium on issue of shares	-	502.27
Closing balance	**3,161.79**	**3,161.79**
Surplus in Statement of Profit and Loss		
Opening balance	3,508.43	3,684.76
Add: Profit/(loss) for the year	600.16	(176.33)
Closing balance	**4,108.59**	**3,508.43**
	7,270.38	**6,670.22**

4 Long-term borrowings		
Secured loan		
Term loans from bank including vehicle loan	6,909.65	3,708.34
Less: Current maturities (refer note 7)	(999.00)	(953.97)
Term loans from non banking financial institutions (NBFC) including vehicle loan	1,521.21	2,034.10
Less: Current maturities (refer note 7)	(655.19)	(926.50)
	6,776.67	**3,861.97**

Notes:
a) The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.

b) Terms of loans:

Nature of lender	Terms of repayment and rate of interest (ROI) % (per annum)	Details of securities against borrowings	As at March 31, 2022	As at March 31, 2021
Loans from banks				
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	969.82	1,054.46
Punjab National Bank	Repayable in 18 installments with ROI 8.25%	The primary security is book debts and stock.	57.73	273.61
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	-
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 securty. Facility under this scheme is secured through gurantee coverage from NCGTC.	703.12	750.00

Nature of lender	Terms of repayment and rate of interest (ROI) % (per annum)	Details of securities against borrowings	As at March 31, 2022	As at March 31, 2021
Loans from banks (Cont'd)				
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)	319.30	532.06
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)	14.36	18.62
Union Bank of India	Repayable in 48 monthly installments with ROI 10.7%.	Hypothecation of vehicle (Car)	-	0.86
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)	13.50	19.60
HDFC Bank	Repayble in 36 monthly installments with ROI 11.25%	Hypothecation of vehicle (Car)	0.36	1.72
Indian Bank	Repayble in 72 monthly installments with ROI 7.90%	Hypothecation of vehicle (Car)	8.79	10.14
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)	50.45	149.64
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)	429.43	646.71
Loans from NBFC				
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)	27.61	60.62
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)	187.85	398.60
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)	158.35	27.01
Mahindra and Mahindra Finance	Repayable in 52 monthly installments with ROI 11.51%.	Hypothecation of vehicle (Truck)	87.57	137.97
Sundaram Finance Limited	Repayable in 50 to 60 monthly installments with ROI ranging from 9.96% and 11.96%.	Hypothecation of vehicle (Truck)	358.31	552.95
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)	363.35	277.30
Volkswagen Finance Private Limited	Repayable in monthly installments ranging from 36 to 48 months with ROI 10% and 10.5%	Hypothecation of vehicle (Truck)	313.53	573.21
Equitas Small Finance Bank	Repayable in 50 monthly installments with ROI 11%.	Hypothecation of vehicle (Truck)	24.64	47.67

5 Other long term liabilities	As at March 31, 2022	As at March 31, 2021
Security deposits	126.43	48.93
Deferred lease liability	411.90	344.39
	538.32	**393.31**

6 Long term provisions		
Provision for gratuity	84.80	64.85
	84.80	**64.85**

7 Short-term borrowings		
Secured loan		
- From banks	2,789.14	4,587.03
Unsecured loan		
- From associate Company	324.75	324.70
Current maturities of long term borrowings (refer note 4)	1,654.19	1,880.47
	4,768.08	**6,792.20**

Nature of lender	Terms of repayment and rate of interest (ROI) % (per annum)	Details of securities against borrowings	As at March 31, 2022	As at March 31, 2021
Indian Bank	Repayable on demand with ROI 10.45%	Hypothecation of receivables including advance to suppliers & other current assets; Industrial plot, Agartala, West Tripura; Industrial plot Mysore, Karnataka; and Residual value on these two warehouses with second Paripassu with PNB.	1,006.34	773.15
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)	1,750.00	1,083.47
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	32.80	33.73
Punjab National Bank	Foreign currency loan repayable in 3 installments starting fromJanuary 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

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8 Trade payables	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	0.82	9.45
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,757.14	1,706.10
	2,757.96	**1,715.55**

Notes:

a) Refer note 37 for detailed ageing schedule for trade payables

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 in respect of payments due to any supplier as at March 31, 2022 are as follows:

(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
- Principal amount	0.82	9.45
- Trade Payable		
- The interest due thereon	-	-
- Trade Payable	-	-
(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		
Payable in respect of purchase of property, plant and equipment	142.20	164.25
Goods and service tax payable	1,091.08	1,152.18
Other statutory dues	114.98	38.04
Interest payable on statutory dues	334.29	184.54
Interest accrued and due on borrowings	36.15	66.74
Interest accrued but not due on borrowings	18.63	15.60
Employees related payables (refer note (b) below)	233.13	177.88
Advance from customers	69.09	108.57
Security deposits	169.15	184.65
Other payables (refer note (a) below)	270.03	202.80
	2,478.74	**2,295.24**

Notes:

a) Refer note 30 for amount payable to related parties	194.72	186.45
b) Refer note 30 for salary payable to related parties	13.48	17.20

10 Short-term provisions		
Provision for leave encashment	11.99	6.08
Provision for gratuity	24.20	18.54
	36.19	**24.61**

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AVG Logistics Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

11 (a) Property, plant and equipment

Particular	Freehold land	Leasehold land	Vehicle	Trucks	Furniture and 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, 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**
Addition	16.26	-	8.88	1,675.92	12.79	24.42	53.89	684.24	13.20	**2,489.60**	2,075.77
Disposals	**-**	**-**	**-**	194.51	**-**	**-**	**-**	**-**	**-**	**194.51**	2,293.29
As at March 31, 2022	**208.32**	**35.88**	**331.61**	**8,959.76**	**90.86**	**228.33**	**1,238.13**	**1,748.61**	**103.11**	**12,944.61**	**4.67**
Accumulated depreciation											
As at April 01, 2020	**-**	2.91	166.22	3,358.28	27.66	117.33	-	-	59.81	**3,732.21**	
Charge for the year	**-**	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**	
Charge for the year	**-**	1.50	31.61	505.36	8.07	23.82	20.22	36.13	10.64	**637.34**	
Disposals	**-**	-	-	168.84	-	-	**-**	**-**	-	**168.84**	
As at March 31, 2022	**-**	**5.55**	**217.31**	**4,180.15**	**42.45**	**161.72**	**30.49**	**49.71**	**78.99**	**4,766.36**	
Net block											
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**	
As at March 31, 2022	**208.32**	**30.33**	**114.30**	**4,779.61**	**48.42**	**66.61**	**1,207.64**	**1,698.90**	**24.12**	**8,178.10**	

Notes:

Refer note 37 for detailed ageing schedule for capital work-in-progress.

Refer note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Refer note 4 and 7 for information related to property, plant and equipment pledged as security by the Company.

AVG Logistics Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

11 (b). Intangible assets

	Software	Total
Gross block		
As at April 01, 2020	9.42	9.42
As at March 31, 2021	9.42	9.42
As at March 31, 2022	9.42	9.42
Accumulated amortisation		
As at April 01, 2020	5.57	5.57
Charge for the year	2.27	2.27
As at March 31, 2021	7.84	7.84
Charge for the year	1.17	1.17
As at March 31, 2022	9.01	9.01
Net block		
As at March 31, 2021	1.58	1.58
As at March 31, 2022	0.41	0.41

12 Non-current investments

	As at March 31, 2022	As at March 31, 2021
Unquoted Investment		
Equity Instrument (refer note a below)		
(9,845,697 Equity shares of INR 10 each fully paid-up in NDRAVG Business Park Pvt Ltd)	984.57	984.57
Investment in Capital of Limited Liability Partnership		
NDR AVG Logistics LLP (refer note b below)	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	-	-

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

(b) Investment in limited liability partnership firm

	Share in profits (%)	
Name of the partners		
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

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Provision for retirement benefits	30.45	22.52
Provision for lorry advance	36.53	36.53
Provision for employee advance	8.14	3.27
Provision for doubtful debts	359.24	334.09
Provision for other advances	35.11	-

Reconciliation of deferred tax assets, net	As at March 31, 2022	As at March 31, 2021
Opening balance as of 1 April	144.99	131.09
Tax income during the period recognized in Statement of Profit and Loss	76.81	13.91
Closing balance as at 31 March	221.81	144.99

Major components of income tax expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit and loss section		
Current income tax	120.82	-
Adjustment for earlier years	202.28	(45.77)
Deferred tax	(76.81)	(13.91)
	246.29	**(59.68)**

Neither deferred tax nor current tax relating to any component has been charged or credited directly to equity.

Reconciliation of tax expense with the accounting tax based on India's domestic tax rate		
Accounting profit before income tax	846.46	(236.01)
	846.46	**(236.01)**
Tax calculated at India's standard statutory tax rates 25.168% (Previous year: 25.168%)	213.03	-
Difference in tax as per books and tax as per table above	33.27	(59.68)
Reason for differences:		
Permanent differences	7.07	8.10
Others	26.19	(67.78)
	33.27	**(59.68)**

14 **Long term loans and advances**	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Capital advances	-	0.72
Other loans and advances	-	252.00
Advance tax and tax deducted at source	1,157.15	1,037.28
(Net of provision 120.82 (Previous year: Nil)		
	1,157.15	**1,290.01**

15 **Other non current assets**		
Term deposits with banks*	161.09	21.49
Deferred lease income	209.55	192.93
Security deposits	303.10	201.14
	673.75	**415.56**

*Deposit are lien marked against bank guarantee and letter of credit

16 **Inventories**		
Consumables & spare parts (at cost)	13.45	35.19
	13.45	**35.19**

17 **Trade receivables**		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	-	2,172.29
Others	9,133.51	6,192.87
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	1,427.38	1,327.43
Less: provision for doubtful receivable	(1,427.38)	(1,327.43)
	9,133.51	**8,365.16**
Notes:		
Refer note 37 for detailed ageing schedule for trade recievables.		
Refer note 30 for amount recievable from related parties	14.73	84.95

18 Cash and bank balances	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalent		
Bank balance in current account	50.83	132.13
Cash on hand	167.55	204.97
	218.38	**337.10**
Other bank balances		
Bank balance in term deposit account*	299.17	238.62
	517.55	**575.72**

*Deposit are lien marked against bank gurantee and letter of credit

19 Short-term loans and advances		
Unsecured, Considered Good		
Prepaid expenses	123.56	59.50
Advance to suppliers	1,273.63	1,039.15
Balance with government authorities	188.92	222.15
Other loans and advances	381.91	245.73
Lorry trip advance	908.01	1,377.50
Advance to employees	115.36	106.78
	2,991.39	**3,050.81**
Unsecured, Considered doubtful		
Lorry trip advance	132.11	131.61
Other loans and advances	44.82	-
Advance to employees	32.36	13.51
	209.29	145.15
Less: Provision for doubful advances	(209.29)	(145.15)
	-	-
	2,991.39	**3,050.81**

20 Other current assets		
Unbilled revenue	1,616.78	1,052.56
Interest accrued on unsecured loan to other parties	231.34	207.93
Other receivables	38.54	20.98
Security deposits	218.82	275.24
	2,105.47	1,556.70
Less: Provision for accured interest	(94.66)	-
	2,010.81	**1,556.70**
	2,010.81	**1,556.70**

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AVG Logistics Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

21 Revenue from operations	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Services		
Freight income	41,001.99	31,577.56
Warehousing income	1,980.39	1,587.74
Other Operating Revenue		
Sub-lease income	225.28	173.95
	43,207.67	**33,339.24**

22 Other income		
Interest income	36.77	83.31
Provision written back to the extent no longer required	-	8.26
Profit on sale of property, plant and equipment	11.42	1.06
Profit on sale of traded goods - high sea sales	0.64	5.59
Miscellaneous income	16.51	20.59
	65.33	**118.81**

23 Transportation expense		
Transportation expense	35,013.34	26,579.29
	35,013.34	**26,579.29**

24 Employee benefits expense		
Salaries, wages and bonus	1,271.86	1,009.14
Contribution to provident and other funds (refer note 35)	86.44	69.58
Directors remuneration	134.50	119.90
Staff welfare expenses	113.80	35.51
	1,606.60	**1,234.13**

25 Finance costs		
Interest on cash credit facility	454.79	258.85
Interest on truck loan and car loan	624.77	383.01
Interest on Term Loan	-	127.31
Interest on late deposit of statutory dues	172.66	220.45
Other borrowing costs	204.55	231.37
	1,456.78	**1,220.99**

26 Rent expense		
Rent expenses	2,000.79	1,582.24
	2,000.79	**1,582.24**

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27 Other expenses	Year ended March 31, 2022	Year ended March 31, 2021
Business promotion	92.34	75.97
Bank charges	51.56	64.47
Repair and maintenance expenses- property, plant and equipment	325.22	368.16
Repair and maintenance expenses - others	101.42	58.98
Conveyance and travelling expenses	163.93	82.36
Electricity and water charges	23.96	28.26
Office expenses	250.41	131.14
Postage and courier expenses	38.83	21.50
Printing and stationery expenses	31.02	16.00
Director sitting fees	9.75	10.00
Rates and taxes	27.43	29.61
Legal and professional charges (refer note 28)	137.16	141.52
Commission expenses	15.93	23.31
Donation	8.02	6.87
Festival expenses	21.54	40.39
Provision for doubtful debts	99.94	886.01
Provision for loans and advances	139.48	-
Bad debts written off	51.00	211.21
Provision for lorry advance	-	131.62
Lorry trip advance written off	-	100.60
Provision for employee advances	18.82	-
Corporate social responsibility activities (refer note 38)	12.42	21.87
Advances written off	0.46	12.24
Miscellaneous expenses	91.06	77.68
	1,711.70	**2,499.38**

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AVG Logistics Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

28 Payment to auditors (excluding taxes)

	Year ended March 31, 2022	Year ended March 31, 2021
In capacity as auditor		
Statutory audit*	26.00	22.50
Limited review	6.00	6.00
Certification work	-	1.30
Reimbursement of expenses	1.62	0.49
	33.62	**30.29**

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

29 Prior period expense/ (income)

Legal and professional charges	-	2.77
Repair and Maintenance	-	6.83
Sub-lease income	-	(102.10)
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)**

30 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

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
(iii) Key management personnel (KMP)	
Managing Director	Sanjay Gupta
Women Director	Asha Gupta (wife of Sanjay Gupta)
Chief Financial Officer	Gurpreet Singh
Chief Operating Officer	Nagendra Kumar Sharma
Company Secretary	Laveena Jain (till October 12, 2021)
Company Secretary	Mukesh Nagar (with effect from December 10, 2021)
(iv) Relative of key management person (KMP)	
Son of Sanjay Gupta and Asha Gupta	Vinayak Gupta

B. Transaction with related parties

	Year ended March 31, 2022	Year ended March 31, 2021
Transportation expenses		
Enterprises over which the key management personnel have the significant influence		
MA Enterprises	1.17	3.92
Freight income		
Enterprises over which the key management personnel have the significant influence		
PCG Logistics Private Limited	64.40	31.77
Directors' remuneration		
Key management personnel (KMP)		
Sanjay Gupta	74.90	65.40
Asha Gupta	60.40	54.50
Employee benefits expense		
KMP and its relatives		
Vinayak Gupta	48.40	42.60
Gurpreet Singh	46.51	34.64
Laveena Jain	2.58	4.83
Mukesh Nagar	1.85	-
Nagendra Kumar Sharma	39.11	-
Loan from director		
KMP		
Sanjay Gupta	210.24	-

C. Balance outstanding as at year end

	As at March 31, 2022	As at March 31, 2021
Other payables		
Enterprises over which the key management personnel have the significant influence		
NDR AVG Logistics LLP	6.87	6.25
MA Enterprises	9.17	1.52
Associate		
NDRAVG Business Park Private Limited	178.68	178.68
Employee related payable		
KMP and its relatives		
Sanjay Gupta	1.12	5.47
Asha Gupta	1.35	6.52
Vinayak Gupta	0.03	-
Gurpreet Singh	5.92	5.22
Mukesh Nagar	0.50	-
Nagendra Kumar Sharma	4.57	-
Short-term borrowings		
Associate		
NDRAVG Business Park Private Limited	324.75	324.70
Advance to employees		
KMP and its relatives		
Vinayak Gupta	-	7.42
Investments		
Associates		
NDR AVG Logistics LLP - Investment	1.50	1.50
NDRAVG Business Park Private Limited - Investment	984.57	984.57

31 **Earnings per share**

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. The Company does not have any outstanding potential equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit after tax attributable to equity shareholders (amount in INR lakhs)	600.16	(176.33)
Basic and diluted average equity shares (in numbers)	11,775,271	11,775,271
Basic and diluted earning per share (in INR absolute numbers)	5.10	(1.58)
Nominal value of equity shares (in INR absolute numbers)	10.00	10.00

32 **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 302.36 lakhs (previous year INR 426.46 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:

	As at March 31, 2022	As at March 31, 2021
Payable within one year	251.43	210.91
Payable between one and five years	1,002.38	989.90
Payable later than five years	1,460.21	1,402.86
	2,714.03	**2,603.67**

33 **Contingent liabilities**

	As at March 31, 2022	As at March 31, 2021
Interest and other charges on late payment of instalments	-	85.43
Bank guarantee	978.33	578.44
	978.33	**663.87**

34 **Capital and other commitments**

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account- net of advances of Nil and Capital work in progress of INR 4.67 lakhs (Previous year net of advances of INR 0.72 lakhs and Capital work in progress of INR 222.19 lakhs)	0.92	18.53
Total capital commitments	**0.92**	**18.53**

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35 **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:-

	As at March 31, 2022	As at March 31, 2021
Employers contribution to provident fund	70.36	55.10
Employers contribution to employee state insurance and other fund	16.08	14.48
Total	**86.44**	**69.58**

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

	As at March 31, 2022	As at March 31, 2021
Discount rate (per annum)	6.19%	5.79%
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%	32.00%

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:

Opening present value of obligation	83.38	88.55
Interest cost	4.83	5.01
Current service cost	17.72	14.45
Actuarial loss/ (gain) on obligation	3.06	(24.63)
Closing present value of obligation	**108.99**	**83.38**

C. Expense recognised in the Statement of Profit and Loss

Current service cost	17.72	17.90
Interest cost	4.83	4.26
Net actuarial loss/(gain) to be recognized	3.06	7.99
Expense recognised in the Statement of Profit and Loss (Refer note below)	**25.60**	**30.15**

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

Present value of defined benefit obligation	108.99	83.38
Net funded status	**(108.99)**	**(83.38)**
Recognised under:		
Short term provision (refer note 10)	24.20	18.54
Long term provision (refer note 6)	84.80	64.85

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

	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
PBO	108.99	83.38	88.55	58.41	53.93
Net assets/(liability)	(108.99)	(83.38)	(88.55)	(58.41)	(53.93)
Experience gain/(loss) on PBO	(3.06)	24.63	(7.98)	13.32	-

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

	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity	25.65	20.24

36 **Segment reporting**

Primary segment

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'.

	Year ended March 31, 2022	Year ended March 31, 2021
A. Segment Revenue		
Logistics business	43,273.00	33,458.05
Total Revenue from operations	**43,273.00**	**33,458.05**
B. Segment Results		
Expenses		
Logistics business	42,426.54	33,694.06
Total	**42,426.54**	**33,694.06**
Profit before tax	**846.46**	**(236.01)**
C. Segment Assets		
Logistics business	25,888.67	22,995.48
Total	**25,888.67**	**22,995.48**
D. Segment Liabilities		
Logistics business	17,440.75	15,147.73
Total	**17,440.75**	**15,147.73**

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AVG Logistics Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

37 Ageing Schedule

(a) Trade Receivable ageing schedule

March 31, 2022

Particulars	Outstanding for following periods from due date of receipts					Total
	Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables - considered good	6,633.74	1,460.81	598.38	302.01	138.58	9,133.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	80.87	205.04	492.68	642.89	1,421.48
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	5.89	5.89
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	(80.87)	(205.04)	(492.68)	(648.79)	(1,427.38)
Net Balance	**6,633.74**	**1,460.81**	**598.38**	**302.01**	**138.58**	**9,133.51**

March 31, 2021

Particulars	Outstanding for following periods from due date of receipts					Total
	Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables - considered good	6,192.87	811.08	870.97	340.55	149.69	8,365.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	41.68	102.89	834.20	342.77	1,321.54
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	5.89	5.89
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	(41.68)	(102.89)	(834.20)	(348.66)	(1,327.44)
Net Balance	**6,192.87**	**811.08**	**870.97**	**340.55**	**149.69**	**8,365.16**

(b) Trade Payable ageing schedule

March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	0.82	-	-	-	0.82
(ii) Others	2,314.11	342.01	81.41	19.62	2,757.14
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-

March 31, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	9.45				9.45
(ii) Others	566.38	974.08	116.54	49.10	1,706.10
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-

(c) Capital work-in progress ageing schedule

March 31, 2022

i) For Capital-work-in progress ageing schedule

Particulars	Amout in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	4.67	-	-	-	4.67

ii) For Capital-work-in progress completion

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.67	-	-	-	4.67

March 31, 2021

i) For Capital-work-in progress ageing schedule

Particulars	Amout in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	222.19	-	-	-	222.19

ii) For Capital-work-in progress completion

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	222.19	-	-	-	222.19

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38 **Corporate social responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

	Year ended March 31,	Year ended March 31,
a) Gross amount required to be spent by the Company	11.90	21.15
b) Amount approved by the Board to be spent during the year	11.90	21.15
c) Detail of amount spent during the financial year		
i) Construction/ acquisition of any asset		
ii) On purposes other than mentioned in (i) above	12.42	21.87
d) Amount remaining unspent during the financial year	-	-

The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous
The Company does not wish to carry forward any excess amount spent during the year.
The Company does not have any ongoing projects as at March 31, 2022.
The nature of CSR activities undertaken by the Company is below mentioned:

S. No.	Area	Activities	Amount spent
1	Animal welfare	Pitro paksh donation and shed	2.01
2	Education	Mid Day Meal/Annadana	1.00
3	Health	Mresca Oxygen Concentrator	9.41
	Total		**12.42**

39 **Accounting ratios**

Ratio	March 31, 2022		March 31, 2021		Ratio as on March 31, 2022	Ratio as on March 31,	Variation
	Numerator	Denominator	Numerator	Denominator			
(a) Current Ratio	14,666.71	10,040.97	13,583.58	10,827.60	1.46	1.25	16%
(b) Debt-Equity Ratio	11,544.76	8,447.91	10,654.17	7,847.75	1.37	1.36	1%
(c) Debt Service Coverage Ratio	2,940.57	4,768.08	1,663.43	6,792.20	0.62	0.24	152%
(d) Return on Equity Ratio	600.16	8,447.91	(176.33)	7,847.75	0.07	(0.02)	-416%
(e) Inventory Turnover Ratio	43,207.67	13.45	33,339.24	35.19	3,211.94	947.54	239%
(f) Trade Receivables Turnover Ratio	43,273.00	9,133.51	33,458.05	8,365.16	4.74	4.00	18%
(g) Trade Payables Turnover Ratio	35,013.34	2,757.95	26,579.29	1,715.55	12.70	15.49	-18%
(h) Net Capital Turnover Ratio	43,207.67	4,625.74	33,339.24	2,755.98	9.34	12.10	-23%
(i) Net Profit Ratio	600.16	43,207.67	(176.33)	33,339.24	0.01	(0.01)	-363%
(j) Return on Capital Employed	2,303.23	8,447.91	984.98	7,847.75	0.27	0.13	117%
(k) Return on Investment	2,303.23	25,888.67	984.98	22,995.48	0.09	0.04	108%

The significant change in the above ratios is on account of the fact that the Company has streamlined its lorry advance and other amount recoverable settlements, leading to decrease in actual provisions/ expenses during the year.

40 **Disclosure of transactions with struck off companies**

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

41 **Compliance with Schedule III**

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

a) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

b) The Company does not have any Benami Property, where any proceeding has been initiated or pending against the company for holding any Benami Property.

c) The Company has not been declared as wilful deafulter by any bank or financial institution.

d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

42 Code on Social Security, 2020

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.

43 Disclosure in relation to undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

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

46 The Company provides logistics services to its customers majorly dealing in "essential commodity" and accordingly majority of the business operations of the Company are dependent upon the demand from these customers.

The extent to which COVID-19 pandemic will impact the Company's future results will depend on developments which cannot be predicted with certainty, including any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. The Company will continue to closely monitor any material changes to future economic conditions and respond accordingly.

The Company does not perceive any mid to long term impact on it's operations given that it continues to provide services to its existing customers dealing in "essential commodity" and transportation restrictions for these products had been liberalized by most of the states in the country.

The pandemic though has not impacted the revenue growth of the Company, but it impacted certain class of customers and other parties from whom the collections have been impacted. The extension of COVID-19 restrictions has not helped the cause which has slowed down the recovery process. In the current year, the operational costs were impacted by the changes in demand and supply of trucks and in addition, certain recoveries from loans given to parties still remains pending. These parties are in the financial services sector/real estate activities which were impacted due to COVID-19 pandemic. Basis Management's discussion with these parties and the payment plan agreed, such amounts will be fully recovered in near short-term since their businesses are showing signs of returning to normalcy. However, provision has been recognised in the standalone financial statements wherever considered necessary.

47 Previous year figures have been regrouped/ reclassified to confirm presentation as per AS and as required by Schedule III of the Act.

As per our report of even date

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

Naresh Anand
Partner
Membership No.: 503662

Place: Chandigarh
Date: June 06, 2022

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

Sanjay Gupta
Managing Director
DIN : 00527801

Asha Gupta
Director
DIN : 02864795

Gurpreet Singh Luthra
Chief Financial Officer

Mukesh Kumar Nagar
Company Secretary

Place: Delhi
Date: June 06, 2022

AVG Logistics Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

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 31,2022 were approved by the Board of Directors on June 06, 2022.

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 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.

AVG LOGISTICS

A STEP AHEAD

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