

Dated: 08.10.2018

National Stock Exchange of India Limited
Exchange Plaza
C-1, Block G,
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

Trading Symbol: AVG

Thru: NEAPS

SUB: SUBMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR 2017-18 IN ACCORDANCE TO THE PROVISION OF REGULATION 34(1) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Dear Sir,

In respect of above captioned subject we wish to inform you that, pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors considered and approved the Annual Report in their meeting held on Saturday, September 01, 2018, for the year ended March 31, 2018 which was further adopted by the Shareholders in the 09th Annual General Meeting held on Friday, 28th day of September 2018.

We do hereby submit duly adopted Annual Report for the F.Y. 17-18 for your record and reference

Thanking you
Yours faithfully,

By order of the Board
For AVG LOGISTICS LIMITED



SANJAY GUPTA
MANAGING DIRECTOR
DIN: 00527801



ANNUAL REPORT

2017 - 18



Our Network



S. NO.	PARTICULARS	PAGE NO.
1.	CHAIRMAN SPEECH	2
2.	BUSINESS SEGMENTS	3 - 4
3.	LEADING CUSTOMERS	5
4.	GLIMPSE OF LISTING CEREMONY	6
5.	CORPORATE INFORMATION	7
6.	COMMITTEES AND BOARD OF DIRECTORS	8
7.	KEY MANAGERIAL PERSONNEL	9
8.	NOTICE OF ANNUAL GENERAL MEETING	10 - 11
9.	DIRECTORS REPORT	12 - 20
	ANNEXURE-A, MGT-9 (EXTRACT OF ANNUAL RETURN)	21 - 28
	ANNEXURE-B, AOC-2	29
	ANNEXURE-C, MANAGEMENT DISCUSSION AND ANALYSIS REPORT	30 - 34
	ANNEXURE-D, MR-3 (SECRETARIAL AUDIT REPORT)	35 - 36
	ANNEXURE-E, DIR-2	37
10	INDEPENDENT AUDITOR'S REPORT	38 - 40
11	BALANCE SHEET	41
12	PROFIT & LOSS STATEMENT	42
13	CASH FLOW STATEMENT	43 - 46
14	SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS	47 - 55
15	ATTENDANCE SLIP	57
16	MGT-11 PROXY	59
17	CORE TEAM	61
18	PHOTOS OF CORPORATE OFFICE	62

CHAIRMAN SPEECH

Dear Shareholders,

It is indeed great privileges to welcome all of you in the ninth Annual General Meeting. Beginning of the Financial Year 2018-2019 showered significant blessings, being our dreams come true to go public with our commitment, hard work and strong belief in our values as our IPO was over subscribed by more than two and half times, we therefore indeed humbled by this response from the investing fraternity and also recognize the added responsibility to ensure that the future performance and results will certainly meet the stakeholders expectations in the years to come.

Our company is engaged in transportation, warehousing and logistics business. I am quite delighted to inform you that the company constantly maintaining growth as at the end of financial year 2018 the revenue increased by 15% i.e. Rs.224 crore from Rs.195 crore in financial year 2017 and profit before tax increased by 85% i.e. 12 crore from Rs.6.5 crore last year. Accordingly profit after tax has also increased considerably by 67% i.e. 7.6 crore from 4.5 crore last year.

The company has strong belief to fulfill its commitment and make all dedicated as well as sincere efforts in executing its planning and strategies. Accordingly the company spreading its wings in almost each and every corner of India by developing requisite infrastructure in order to provide desired/satisfactory services to our valued customers. The continued growth of the company is evident through the addition of new clients like **GREEN PLY INDUSTRIES LTD, MRF LIMITED, MONDELEZ INDIA FOODS** to the existing client list, which comprises of **NESTLE, AIRTEL, ULTRATECH CEMENT, MOTHER DAIRY, CARRIER AIRCON, COCA-COLA, EMAMI, GALXO SMITHKLINE, AMAR RAJA**

The growth of the company could not be well accelerated without the help of our lending institutions who have supported in our operations and fulfilled our liquidity requirements at the continuous interval, we are generous to have their confidence in our vision and future prospects.

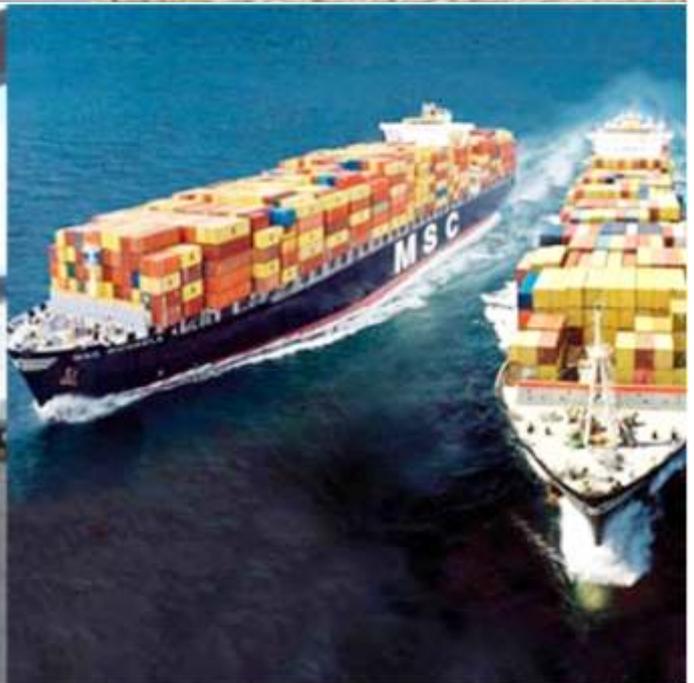


I thankfully acknowledge the sincere and dedicated efforts of each and every member of AVG Logistics Limited family for their valuable contribution at all levels during the year. I also take this opportunity to thank all the stakeholders – employees, bankers, investors, customers, suppliers, government authorities, regulators and the management team for their support and association with AVG Logistics Limited and also look forward to a positive interaction with all in the days to come.

YOURS SINCERELY

SANJAY GUPTA
CHAIRMAN

BUSINESS SEGMENTS OF THE COMPANY
TRANSPORTATION OF GOODS BY ROAD , RAIL & AIR



1. Cool Chain - Refer Insulated Containers.
2. Transportation - Container (Dry / Refer / FTL / LCV / Traile / Flats Open Body Trucks).
3. ICP - Integrated Check Post Operations / ICD.
4. Rail VP Service - AC / Dry.
5. Rail Head Operations - Rake Handling
6. VP Rake Movement.



1. Leasing of Warehouse Spaces
2. Warehouse Management Services
3. Warehousing, Distribution and delivery.
4. Inventory Management Services
5. Documentation, handling, warehousing Import / Export Consolidation.

OTHER LOGISTICS SERVICES

1. Empty container service for long storage are available on RENT.
2. Office cabins containers are also available on rent.
3. Individual consultation customs handling.
4. Door to Door service, Complete logistics support.
5. Pickup and delivery service.
6. FCL / LCL import / export.
7. Custom clearances.
8. Carrier assessment basis cargo need.
9. Documentation, insurance etc.
10. Price moderations.
11. Regulatory import / export compliance in different countries.
12. Cargo Handling (Export / Import) Services at Integrated Check Posts

SOME LEADING CLIENTS



DS GROUP



Rosenberger

GLIMPSE OF LISTING CEREMONY

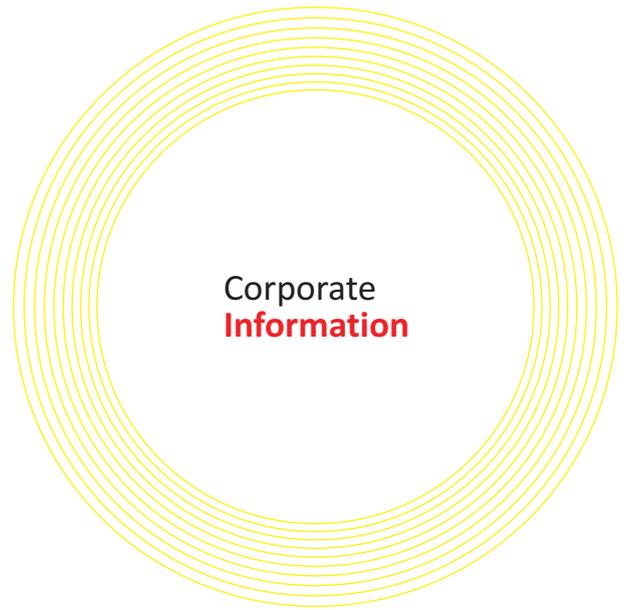
(Held on 11th April , 2018 at NSE)



(Mr. Sanjay Gupta , MD receiving the Listing Certificate from Ms. Rachna Bhusari , Head NSE-Emerge)



(Mr. Sanjay Gupta , MD , Anchor Investors, Statutory Auditors and CFO)



Corporate Information

BOARD OF DIRECTORS

CHAIRMAN

Mr. Suresh Kumar Jain

MANAGING DIRECTOR

Mr. Sanjay Gupta

WHOLETIME DIRECTOR

Mrs. Asha Gupta

NON EXECUTIVE DIRECTOR

Mr. Shyam Sunder Soni

INDEPENDENT DIRECTORS

Mr. Bishwanath Shukla

Mr. Suresh Kumar Jain

KEY MANAGERIAL PERSONNEL

CHIEF FINANCIAL OFFICER

Mr. Arun Kumar Goel

COMPLIANCE OFFICER & COMPANY SECRETARY

Mrs. Parul Jain

SECRETARIAL AUDITOR

S.K. GAUR & ASSOCIATES
COMPANY SECRETARIES

STATUTORY AUDITORS

PRAKASH K. PRAKASH
CHARTERED ACCOUNTANTS

REGISTRAR & SHARE TRANSFER AGENT

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

REGISTERED OFFICE

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

CORPORATE OFFICE:

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

COMMITTEES

AUDIT COMMITTEE	SHAREHOLDER'S RELATIONSHIP COMMITTEE
Chairman Mr. Suresh Kumar Jain	Chairman Mr. Suresh Kumar Jain
Members Mr. Bishwanath Shukla Mr. Sanjay Gupta	Members Mr. Bishwanath Shukla Mr. Sanjay Gupta
NOMINATION AND REMUNERATION COMMITTEE	
Chairman Mr. Suresh Kumar Jain	
Members Mr. Bishwanath Shukla Mr. Shyam Sunder Soni	

BOARD OF DIRECTORS



Mr. Sanjay Gupta , Managing Director and Chief Executive Officer

Mr. Sanjay Gupta has a very strong experience of more than 30 years in multi –model logistics management and has the ability to manage a number of projects and initiatives simultaneously. He has a very extensive knowledge of warehousing and logistics industries and is able to use route planning and schedule accordingly. He has also experience in Retail logistics as well.



MRS. ASHA GUPTA, WHOLE-TIME DIRECTOR

Mrs. ASHA Gupta has wide experience of warehousing and cargo handling services. Because of her ability, experience, inter personnel skill and expert in marketing strategies she has always achieved a steep growth in transportation business. She has achieved an unexpected growth in warehousing business as well.



SHYAM SUNDER SONI, DIRECTOR

Mr. Shyam Sunder Soni having very rich experience of transportation & logistics business besides throughout his professional carrier he mostly indulge in strategical decisions, planning and as well as administrative function.



SURESH KUMAR JAIN, INDEPENDENT DIRECTOR

Mr. Suresh Kumar Jain is having very rich experience of over 36 years of banking industry. He is having specializations of international banking, human resource department, development of micro small and medium enterprise, commercial banking/retail banking, Appraisal of large credit loan syndications, trade finance, product marketing and bank management. He is highly qualified i.e. B.S.C.(H), M.A.(ECO), certified associate of Indian Institute Of Bankers, DIP in personnel management and labour welfare (gold medalist) and DIP in French language. He was executive director of union bank of India from Sep. 2011 to may 2014.



BISWANATH SHUKLA, INDEPENDENT DIRECTOR

Mr. Bishwanath Shukla, is having very rich experience of transportation and logistics business of over 40 years. He is highly educated, B.A., M.A., Gorakhpur University (Gold Medal) & M.B.A. (Strathclyde Business School, Glasgow, UK 1997-1998). He has been Bestowed so many prestigious award and Recognition like GM Award for Excellence in Performance 85, GM Award for Excellence in Performance '89, Gold Medal for academic achievement, M.A. 1974.

KEY MANAGERIAL PERSONNEL



MR. ARUN KUMAR GOEL, CHIEF FINANCIAL OFFICER

Mr. Arun Kumar Goel, aged 55 years has been appointed as the Chief Financial Officer of our Company with effect from 20.01.2018. He has completed Bachelors of Commerce and LLB from Meerut University. He was engaged in the profession of Chartered Accountants and in addition, has been engaged in Management Consultancy on Retainership basis, Project Consultancy & Financing, Preparation of Project Reports & Loan Proposals, Liaison with Banks & Financial Institutions.



MRS. PARUL JAIN, COMPANY SECRETARY

Ms. Parul Jain, aged 30 years has been appointed as the Company Secretary of our Company with effect from 20.01.2018. She has completed Bachelors of Commerce from Delhi University, She is a qualified Company Secretary by profession and has completed Professional Programme from the Institute of Company Secretaries of India. She is entrusted with the responsibility of handling corporate secretarial functions of our Company.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 9TH ANNUAL GENERAL MEETING OF THE AVG LOGISTICS LIMITED SHALL BE HELD ON FRIDAY, 28TH SEPTEMBER, 2018 AT 03:00 P.M. AT THE JP HOTEL & RESORTS, 6B, PATPARGANJ I.P. EXTENSION, NH-24, BEHIND CNG PETROL PUMP, DELHI- 110092 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Financial statements comprising of Audited Balance Sheet of the Company as at 31st March 2018 and the statement of profit and loss for the period from 1st April 2017 to 31st March 2018 and Notes forming part of the Financial Statement for the year ended 31 March, 2018 together with the Directors Report and Auditors Report thereon.
2. To appoint Ms. Asha Gupta (DIN: 02864795) as director who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Statutory Auditor of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactment thereof, as amended from time to time, pursuant to the recommendation of the Audit Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded to appoint M/s. MSKA & Associates (Formerly known as M/s. MZSK & Associates), Chartered Accountants (Firm Registration Number: 105047W), as the Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the 14th Annual General Meeting, at a remuneration of such sum as may be fixed by the Board of Directors / any Committee of the Board of Directors plus Goods and Service tax and reimbursement of out of

pocket expenses as may be incurred in the performance of their duties.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

FOR AVG LOGISTICS LIMITED

SANJAY GUPTA

MANAGING DIRECTOR

DIN: 00527801

**ADD: 423, KANUNGO APTTS I.P EXTENSION
PATPR GANJ DELHI 110092**

DATE: 01.09.2018

PLACE: Delhi

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 BE A MEMBER OF THE COMPANY. PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
2. Body Corporate member are requested to send a certified copy of the **Board Resolution** authorizing their representative to attend & vote at the meeting pursuant to provisions of section 113 of the Companies act, 2013.
3. All documents referred in the accompanying notice are available for inspection at the Registered Office of the Company during working days between 10.00 A.M. to 1.00 P.M. till the date of Annual General Meeting and also at the meeting.

4. Members are requested to intimate the change, if any, in their registered address immediately.
5. Members/Proxies should bring the **Attendance Slip** duly filled in and signed for attending the meeting.
6. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the Registered Office of the Company ten days in advance of the meeting so that the information may be made readily available.
7. The Register of Directors and their Shareholdings, Register of Contracts with related party and in which directors are interested and Register of Proxies would be available for inspection by the Members at the meeting.
8. Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, the 18th September, 2018 to Friday the 28th September, 2018 (both days inclusive).
9. 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.
10. 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.
11. Additional Information, pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/ re-appointment at the Annual General Meeting, is furnished as annexure to the Notice. The directors have furnished consent /declaration for their appointment/ reappointment as required under the Companies Act, 2013 and the rules there under. ATTACHED AS ANNEXURE- E.
12. 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 2017-18, the notice of the 09TH 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 physical copy to the members at their registered address, whose E-mail id's are not registered.
13. 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.
14. 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.
15. A person who is not a member as on cut-off date should treat this Notice for information purpose only.
16. 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.
17. A route map showing direction to reach the venue of the meeting is given at the end of this Notice.
18. E-Voting is not applicable on the companies who has less than 1000 shareholders and listed there securities on the SME platform as per the amendment in the Rule 20 of the companies Rules 2014.

FOR AVG LOGISTICS LIMITED

SANJAY GUPTA

MANAGING DIRECTOR

DIN: 00527801

ADD: 423, KANUNGO APTTS I.P EXTENSION

PATPR GANJ DELHI 110092

DIRECTORS' REPORT

To

The Members,

The Directors are pleased to present their 09th Annual Report on the business and operations of the Company together with the audited statement of accounts for the financial period ended March 31st, 2018.

1. BUSINESS AND OPERATION

The Company is in the business of transportation of goods, warehousing, and logistics as well as consultancy services to other logistics companies.

2. FINANCIAL SUMMARY/HIGHLIGHTS

Particulars	Amount	
	31 st March 2018	31 st March 2017
Income		
Revenue from operations	2,24,33,32,891	1,94,74,49,690
Other Income	43,73,920	11,38,346
Total Revenue	2,24,77,06,811	1,94,85,88,036
Expenses		
Operating Expenses	1,79,75,53,064	1,63,48,59,556
Employee Benefit Expense	11,11,40,254	6,81,53,065
Finance Costs	6,37,91,754	5,49,38,107
Depreciation and Amortization Expense	5,69,99,295	4,77,49,868
Other Expenses	9,79,65,250	7,77,78,286
Total Expenses	2,12,74,49,616	1,88,34,78,881
Profit before Tax (PBT)	12,02,57,195	6,51,09,155
Tax expense:		
Current tax	4,89,03,982	2,15,27,040
Deferred Tax	(41,12,125)	(14,63,153)
Net Profit after Tax	7,54,65,337	4,50,45,268
Earning per equity share (nominal value of Share Rs. 10 (P.Y. Rs 10)		
Basic	10.47	6.25
Diluted	10.47	6.25

3. THE STATE OF THE COMPANY'S AFFAIRS

Your Company is engaged in Logistics and Transportation Business. Since Incorporation there has been considerable growth in the Business of the Company and with in the short span of time it has successfully established its brand image in the logistics and transportation business. In the beginning of current financial year the company has decided to go for IPO and successfully listed its securities on SME platform of National Stock Exchange of India Limited (NSE).

Your Board of Directors are delighted to inform you that for the year ended 31.03.2018 the revenue of the company has been increased by 15% i.e. Rs. 224 crores as compared to 195 crores in last F.Y.. Further P.B.T. has increased by 85% i.e. 12 crores as compared to 6.5 crores in last year. Accordingly the P.A.T. has also increased by 67% i.e. 7.6 crores as compared to 4.5 crores in the last year. Since, your company has been providing satisfactory services to our valued clients thus successfully expanding its business by adding new blue chip and MNC Clients for eg. Greenply Industries, LT Foods, Nestle India, Amara Raja Batteries, Mondelez India Foods etc. and expected very good business in the years to come. Besides the company continuously increasing own fleet in order to give meaning to its expansion plan and added 21 refrigerated vehicles and 12 dry vehicles during first two months of the F.Y. 18-19 as well as continuously adding new vehicles to cater the needs of our clients. Your Directors are expecting very good results by the end of the current F.Y. i.e. 18-19.

4. CASH FLOW STATEMENT

As required under Regulation 34(2) and Regulation 53(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Cash Flow Statement is attached to the Balance Sheet along with Auditor's Report.

5. HOLDING COMPANY

The Company doesn't have any holding company.

6. CHANGE IN STATUS OF THE COMPANY

The company has been converted from private limited to public limited vide special resolution passed by the members at the Extra Ordinary General Meeting held on 19.01.2018 and fresh certificate of incorporation was issued by the Registrar of Companies on 21.02.2018. Thus consequent to conversion of the company the name of the company changed from AVG Logistics Private Limited to AVG Logistics Limited.

7. BOARD'S EVALUATION

In compliances with the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the Board carried out Annual Evaluation of its own performance, that of its Committees and individual directors. The performance of Board and its committees was evaluated by the board after seeking input from all the directors on the basis of the criteria, such as composition and structure of the Board, quality of deliberations, effectiveness of the procedures adopted by the Board, participation at the Board and committee meetings, governance reviews etc. Performance of individual

directors was evaluated on the basis of criteria like transparency, analytical abilities, qualifications, leadership qualities, experience, participation in the long-term strategic planning and responsibilities shouldered.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year following changes have occurred in directors and key managerial personnel:

- 1. Mr. Sanjay Gupta** (DIN: 00527801) director 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) director 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. Arun Kumar Goel** (Chartered Accountant) was appointed as Chief Financial Officer (CFO) at the Board Meeting held on 20.01.2018.
- 4. Ms. Parul Jain** bearing Membership No 50066, was appointed as Company Secretary & Compliance Officer of the company at the Board meeting held on 20.01.2018.
- 5. Mr. Suresh Kumar Jain** (DIN: 05103064) were appointed as Independent directors at Extraordinary Meeting held on 31.01.2018.
- 6. Mr. Bishwa Nath Shukla** (DIN: 02257584) was appointed as Independent director of the company at Extraordinary Meeting held on 31.01.2018.
- 7. Mr. Shyam Sundar Soni** was appointed as director of the company, who shall be liable to retire by rotation at Extraordinary Meeting held on 31.01.2018.

As per section 152(6)(a) **Mrs. Asha Gupta, whole time director** is liable to be retire by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for re-appointment.

9. EXTRACT OF ANNUAL RETURN AS PROVIDED UNDER SECTION 92 (3) IN FORM NO. MGT-9

Extract of Annual Return in Form MGT-9 containing details as on the financial year ended 31st March, 2018 as required under Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules 2014, is annexed herewith as Annexure-A which forms part of this report and the same is uploaded over website of the Company as per Section 134 of the Companies Act, 2013 under link <http://avglogistics.com/investors.html>.

10. NUMBER OF MEETING OF THE BOARD

Total 27 meetings of Board of Directors were held during the year on following dates :-

S. No.	DATE
1	13.04.2017
2	24.04.2017
3	28.04.2017
4	11.05.2017
5	26.05.2017
6	05.06.2017
7	12.06.2017
8	01.08.2017
9	01.08.2017
10	02.08.2017
11	10.08.2017
12	11.09.2017
13	15.09.2017
14	29.09.2017
15	06.11.2017
16	01.12.2017
17	11.12.2017
18	16.12.2017
19	18.12.2017
20	20.12.2017
21	26.12.2017
22	02.08.2017
23	20.01.2018
34	01.02.2018
25	06.02.2018
26	23.02.2018
27	14.03.2018

11. 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, 2018, 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, 2018 and of the Profit and Loss of the company for that period ended on that date;
- (c) **The directors had** taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) **The directors had** prepared the annual accounts on a going concern basis;
- (e) **The Directors have** laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) **The directors had** devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149.

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

13. IN CASE OF A COMPANY COVERED UNDER SUB-SECTION (1) OF SECTION 178, COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178.

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.

14. NOMINATION AND REMUNERATION COMMITTEE

The company constituted and Nomination & Remuneration Committee pursuant to the provision of Section 178 of the Companies Act, 2013 at the board meeting held on 06.02.2018.

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

1. Mr. Suresh Kumar Jain (DIN: 05103064) Independent Director (Chairman of committee);
2. Mr. Bishwa Nath Shukla; (DIN: 02257584) Independent Director (Member of committee) and
3. Mr. Shyam Sunder Soni (DIN: 00396429) (Member of committee)

15. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As the company is not having any subsidiary/joint venture/Associate Companies, the details in terms of Section 134 (3) (q) read with Rule 8 (5) (iv) of the Companies (Accounts) Rules, 2014 are nil.

16. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE—

(I) BY THE AUDITOR IN HIS REPORT; AND

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s. Prakash K. Prakash, Statutory Auditors in their Audit Report. The Statutory Auditors have

not reported any incident of fraud to the Audit Committee of the Company during the financial year 2017-18.

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

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s. S.K. Gaur & Associates, Company Secretaries in Practice, in his Secretarial Audit Report except certain compliances complied with by paying additional fees or penalty.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186;

(a) Loan given by the company during financial year 2017-18

S. No.	NAME OF THE COMPANY	AS AT 31.03.2018	MAXIMUM BALANCE DURING YEAR
1		N.A.	

(b) Investment made by the company during the financial year 2017-2018

S. No.	NAME OF THE COMPANY	AS AT 31.03.2018
1	NDR AVG LOGISTICS LLP	1,55,00,000

18. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

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 and relevant provisions of the Companies Act, 1956, to the extent applicable.

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

19. BOARD'S EVALUATION

In compliances with the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the Board carried out annual evaluation of its own performance, that of its Committees and individual directors.

The performance of Board and its committees was evaluated by the Board after seeking input from all the directors on the basis of the criteria, such as composition and structure of the Board, quality of deliberations, effectiveness of the procedures adopted by the Board, participation at the Board and committee meetings, governance reviews etc. Performance of individual directors was evaluated on the basis of criteria like transparency, analytical abilities, qualifications, leadership qualities, experience, participation in the long-term strategic planning and responsibilities shouldered.

20. HUMAN RESOURCE DEVELOPMENT

The Company recognizes that its employees are its principal assets and that it's continued growth is dependent upon the ability to attract and retain quality people. The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the company to achieve its business objectives. The morale of employees continued to remain high during the year contributing positively to the progress of the Company. However aspirations of employees in India remain to be high. 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. The Company has always provided a congenial atmosphere for work to all sections of the society. Your Company is committed (Prevention, Prohibition and Redressal) Act, 2013, the report on the details of the number of cases filed under Sexual Harassment and their disposal, during the calendar year 2017- 2018 is as under:

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

21. 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://avglogistics.com/pdf/policy/policy-on-related-party.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

Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement is disclosed in the financials. All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 is disclosed in Form AOC-2 in Annexure-B is annexed to this report.

22. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year 2017-18, as stipulated under Regulation 34(2)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure-C forming part of this Annual Report, and gives detail of overall industry structure, developments performance and state of affairs of the Company's operations during the year.

23. SECRETARIAL AUDIT

Pursuant the provision of the Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial personal) Rules, 2014, the board appointed CS S.K. Gaur & Associates, Practicing Company Secretaries Firm , to conduct Secretarial Audit of the Company for the financial year 2017- 2018. The Secretarial Audit report in Form MR-3 is attached as Annexure-D and forms part of this report. The Secretarial Audit Report is self explanatory and no comments are required to be given on the same except compliances pertaining to payment of stamp duty as on 31st day of March, 2018 on issuance of equity shares and it was explained to the Secretarial auditor that the company has filed all the requisite documents with the revenue department for payment of stamp duty and matter is pending with SDM.

24. RISK MANAGEMENT POLICY

The risk management framework of the company defines roles and responsibilities for arriving at risk rating criteria for assessing risk impact, likelihood of risks and effectiveness of mitigations plans. The process includes identifications of risks involved in various areas, zeroing on 'risk that matter', assessing mitigation plan and preparedness to face 'risk that matter'

25. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS, SWEAT EQUITY, ESOP ETC.

The company has not issued any equity shares with differential voting rights, Sweat Equity Shares or Shares to its employees under "Employee Stock Option Scheme" during the financial year.

26. THE AMOUNTS, IF ANY, WHICH IT PROPOSES TO CARRY TO ANY RESERVES:

The amount of surplus of Rs. 7,54,65,337/- (Rupees Seven Crores Fifty Four Lacs Sixty Five Thousand Three Hundred and Thirty Seven Only) of Profit and Loss account has been transferred to Reserve and Surplus account in the Balance Sheet and the final amount of reserve and surplus account as on 31.03.2018 is Rs. 22,39,12,271/-. Reserves of Rs. 2,96,80,000/- were utilized towards issue of bonus shares during the year.

27. DIVIDEND

With a view to give meaning to the expansion plans of the Business of the Company, your Directors do not recommend any dividend for the year under consideration.

28. MATTERS WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL PERIOD OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

There were following material changes that took place between the date of Balance Sheet and the date of Board's Report.

1. Company came out with an Initial Public Offer comprising of 30,90,000 equity shares of Rs. 10/- each at a premium of Rs. 97/- per share . The offer was open from March 28, 2018 to April 03, 2018. The company received tremendous response from the market for its IPO and the issue got oversubscribed by 2.5 times.
2. The company allotted 30,90,000 equity shares of Rs. 10/- each at a premium of Rs.97/- per equity share to the successful applicants as per the terms of the Prospectus and in consultation with the Merchant Bankers to the IPO in the Board Meeting held on 10.04.2018.
3. Equity Shares of the company were successfully listed with SME platform of National Stock Exchange - EMERGE w. e. f. 11.04.2018.

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

A. CONSERVATION OF ENERGY

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

- (iii) the capital investment on energy conservation equipment's;
Not applicable in view of the nature of activities carried on by the Company.

B. TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption;
-Company has used high technology backed ink in its product and doing all necessary efforts to do further advancement in this regard.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
-Company has been able to cater to the more security sensitive segment of customer through providing new technologies like track and trace.
- (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 (LAKH)
1	FOREIGN EXCHANGE EARNING	NIL
2	FOREIGN EXCHANGE OUTGO	NIL

30. THE DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR;

As the company does not fall into any of the category mentioned thereunder, the provisions of Section 134 (3) (o) read with Section 135 and Rule 9 of Companies (Accounts) Rules, 2014 related with Corporate Social Responsibility are not applicable on the company till F.Y. 31.03.2018.

31. AUDIT COMMITTEE

The company constituted and Audit Committee pursuant to the provision of Section 177 of the Companies Act, 2013 at the board meeting held on 06.02.2018.

The following persons are members of the Audit committee:

1. Mr. Suresh Kumar Jain (DIN: 05103064) Independent Director (Chairman of committee);
2. Mr. Bishwa Nath Shukla; (DIN: 02257584) Independent Director (Member of committee) and
3. Mr. Sanjay Gupta (DIN: 00527801) Managing Director (Member of committee)

All the members of the Audit Company are financially literate.

32. STAKEHOLDERS RELATIONSHIP COMMITTEE

The company constituted and Stakeholders Relationship Committee pursuant to the provision of Section 178 of the Companies Act, 2013 at the board meeting held on 06.02.2018.

The following persons are members of the Stakeholders Relationship committee:

1. Mr. Suresh Kumar Jain (DIN: 05103064) Independent Director (Chairman of committee);
2. Mr. Bishwa Nath Shukla; (DIN: 02257584) Independent Director (Member of committee) and
3. Mr. Sanjay Gupta (DIN: 00527801) Managing Director (Member of committee)

33. THE DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE ACT

- (a) accepted during the year; **NA**
- (b) remained unpaid or unclaimed as at the end of the year; **NA**
- (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
 - (i) at the beginning of the year; **NA**
 - (ii) maximum during the year; **NA**
 - (iii) at the end of the year; **NA**
 - (iv) the details of deposits which are not in compliance with the requirements of Chapter V of the Act; **NA**

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

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.

35. AUDITORS

M/s MSKA & Associates (Formerly known as M/s. MZSK & Associates), Chartered Accountants (FRN 105047W), duly considered and reviewed by the Audit Committee, is recommended by the BOD for appointment as Statutory

Auditor for a period of five (5) consecutive years starting from F.Y. 2018-19 to 2022-23 in place of M/s Prakash K. Prakash who has shown their unwillingness to continue as Statutory Auditor, in terms of Section 139 of The Companies Act, 2013. The Board of Directors, therefore, recommends appointment of statutory auditors of the company for the approval of Shareholders.

Your Company has received the Certificate from M/s. MSKA & Associates (Formerly known as M/s. MZSK & Associates), Chartered Accountants, regarding their eligibility for appointment as Statutory Auditors of the Company. Your Directors recommend their appointment as the Statutory Auditors of the Company.

36. CORPORATE GOVERNANCE

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

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

37. PARTICULARS OF EMPLOYEES

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. Persons employed throughout the Financial Year ended 31 March, 2018, 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 (Rs.)	Qualification	Experience	Date of Appointment
			N.A.			

38. 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://avglogistics.com/pdf/policy/vigil-mechanism-for-directors-and-employees.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.

39. POLICIES ADOPTED BY THE COMPANY

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

A. 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://avglogistics.com/pdf/policy/policy-on-archival.pdf>.

B. 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://avglogistics.com/pdf/policy/code-of-practice-&-procedure.pdf>.

C. NOMINATION AND REMUNERATION

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

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

D. 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://avglogistics.com/pdf/policy/policy-for-preservation.pdf>

E. 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://avglogistics.com/pdf/policy/policy-on-related-party.pdf>

F. RISK ASSESSMENT AND MANAGEMENT

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

G. 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://avglogistics.com/pdf/policy/terms-&-condition-of-appointment.pdf>

H. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

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

I. MATERIALITY POLICY

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

J. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

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

40. ACKNOWLEDGEMENT

Your Directors wish to acknowledge the continued support and co-operation received from the Bankers, Clients and other Agencies and the Shareholders of the Company.

Your Directors also acknowledge and appreciate the commitments and dedication of employees at all levels, which are so crucial for the growth of the business of the Company.

FOR AVG LOGISTICS LIMITED

**SANJAY GUPTA
MANAGING DIRECTOR
DIN: 00527801
ADD: 423, KANUNGO
APPTS I.P EXTENSION
PATPR GANJ DELHI 110092**

**ASHA GUPTA
WHOLE TIME DIRECTOR
DIN: 02864795
ADD: H. NO. 423, KANUNGO APPTS. PLOT NO. 71, I.P.
EXTN. PATPAR GANJ, NEW DELHI 110092**

**ARUN KUMAR GOEL
CHIEF FINANCIAL OFFICER
ADD: R-1/40 SECTOR-I RAJ NAGAR
GHAZIABAD 201001**

**PARUL JAIN
COMPANY SECRETARY
M. NO.: A50066
ADD: 85, GAJJUKATRA, BARA BAZAAR, SHAHDARA
DELHI 110032**

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Transportation Services	99831162	83.65

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.		N.A.			

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

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF		42,40,000	42,40,000	100		72,08,000	72,08,000	100	
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp									
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-		42,40,000	42,40,000	100		72,08,000	72,08,000	100	
2) Foreign									
g) NRIs-Individuals									
h) Other-Individuals									
i) Bodies Corp.									
j) Banks / FI									
k) Any Other....									
Sub-total(A)(2):-									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1)									
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas									

a) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh									
b) Others(Specify)									
Sub-total(B)(2)									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs &ADRs									
Grand Total (A+B+C)		42,40,000	42,40,000	100		72,08,000	72,08,000	100	

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Mr. Sanjay Gupta	7,25,000	17.10		12,32,500	17.10		
2.	Mrs. Asha Gupta	32,25,000	76.06		54,82,500	76.06		
3.	Mrs. Niti Gupta	2,90,000	06.84		4,89,000	06.84		

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

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2,90,000	06.84		

	At the beginning of the year	2,90,000	06.84		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Bonus Issue, 203000 Shares, 06.02.2018	2,03,000			
	Transfer:				
	1. Vijay Garg 20.01.2018 1000 shares	-1,000			
	2. Praveen Mahala 20.01.2018 1000 shares	-1,000			
	3. Jagdish Sharma 20.01.2018 1000 shares	-1,000			
	4. Vinayak Gupta 20.01.2018 1000 shares	-1,000			
	At the End of the year	4,89,000	06.84		

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

S. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	Vijay Garg				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	1,000			
	20.01.2018, 1000 shares, transfer				
	At the End of the year (or on the date of separation, if separated during the year)	1,000	-		
2.	Praveen Mahala				
	At the beginning of the year				

	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc): 20.01.2018, 1000 shares, transfer	1,000			
	At the End of the year (or on the date of separation, if separated during the year)	1,000	-		
3.	Jagdish Sharma				
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): 20.01.2018, 1000 shares, transfer	1,000			
	At the End of the year (or on the date of separation, if separated during the year)	1,000	-		
4.	Vinayak Gupta				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): 20.01.2018, 1000 shares, transfer	1,000			
	At the End of the year (or on the date of separation, if separated during the year)	1,000	-		

v. Shareholding of Directors and Key Managerial Personnel:

S. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	SANJAY GUPTA				
	At the beginning of the year	7,25,000	17.10		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Bonus issue, 06.02.2018, 507500 shares	5,07,500			

	At the End of the year (or on the date of separation, if separated during the year)	12,32,500	17.10		
2.	ASHA GUPTA				
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the Company
	At the beginning of the year	32,25,000	76.06		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Bonus issue, 06.02.2018, 2257500 shares	22,57,500			
	At the End of the year (or on the date of separation, if separated during the year)	54,82,500	76.06		

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	15,00,45,337	37,25,000		15,37,70,337
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)	15,00,45,337	37,25,000	0	15,37,70,337
Change in Indebtedness during the financial year				98,80,315
- Addition	1,36,05,315			
- Reduction		-37,25,000		
Net Change	1,36,05,315	-37,25,000	0	98,80,315
Indebtedness at the end of the financial year	16,36,50,652	0		16,36,50,652
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	16,36,50,652	0	0	16,36,50,652

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sanjay Gupta (M.D.)	Asha Gupta (W.T.D.)	
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2)Income-tax Act,1961 (c)Profits in lieu of salary under section17(3)Income- tax Act,1961	72,00,000	60,00,000	1,32,00,000
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - Others, specify...			
5.	Others, please specify			
6.	Total(A)	72,00,000	60,00,000	1,32,00,000
	Ceiling as per the Act			

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		SURESH KUMAR JAIN	BISWANATH SHUKLA	
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	40,000	40,000	80,000
	Total(1)	40,000	40,000	80,000
		SHYAM S UNDER SONI		
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	40,000		40,000
	Total(2)	40,000	0	40,000
	Total(B)=(1+2)	80,000	40,000	1,20,000
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			PARUL JAIN	ARUN KUMAR GOEL	
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2)Income-tax Act,1961 (c)Profits in lieu of salary under section 17(3)Income-tax Act,1961		47,000	5,37,096	5,84,096
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit -others specify				
5.	Others, please specify				
6.	Total		47,000	5,37,096	5,84,096

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ fees imposed	Authority[RD /NCLT/ Court]	Appeal made. If any(give details)
A. Company					
Penalty					
Punishment					
Compounding					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

FOR AVG LOGISTICS LIMITED

SANJAY GUPTA
MANAGING DIRECTOR
DIN: 00527801
ADD: 423, KANUNGO
APPTS I.P EXTENSION
PATPR GANJ DELHI 110092

ASHA GUPTA
WHOLE TIME DIRECTOR
DIN: 02864795
ADD: H. NO. 423, KANUNGO APPTS.
PLOT NO. 71, I.P. EXTN. PATPAR GANJ,
NEW DELHI 110092

ARUN KUMAR GOEL
CHIEF FINANCIAL OFFICER
ADD: R-1/40 SECTOR-I RAJ NAGAR
GHAZIABAD 201001

PARUL JAIN
COMPANY SECRETARY
M. NO.: A50066
ADD: 85, GAJJUKATRA,
BARA BAZAAR, SHAHDARA
DELHI 110032

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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	M.A. Enterprises Relationship: A firm, in which Mr. Sanjay Gupta , MD and Mrs. Asha Gupta, Director are partners.
	Nature of contracts/arrangements/transaction	Leasing of property
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rent Paid During The relevant period Rs. 70800.
	Date of approval by the Board	
	Amount paid as advances, if any	
	Name (s) of the related party & nature of relationship	PCG Logistics Pvt Ltd. Relationship: A Private Limited Company in which Mr. Sanjay Gupta , MD and Mrs. Asha Gupta, Director are Directors.
	Nature of contracts/arrangements/transaction	Availing of services
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	Lorry Freight paid during year 2887411
	Date of approval by the Board	
	Amount paid as advances, if any	

FOR AVG LOGISTICS LIMITED

SANJAY GUPTA
MANAGING DIRECTOR
DIN: 00527801
ADD: 423, KANUNGO
APPTS I.P EXTENSION
PATPR GANJ DELHI 110092

ASHA GUPTA
WHOLE TIME DIRECTOR
DIN: 02864795
ADD: H. NO. 423, KANUNGO APPTS.
PLOT NO. 71, I.P. EXTN. PATPAR GANJ,
NEW DELHI 110092

ARUN KUMAR GOEL
CHIEF FINANCIAL OFFICER
ADD: R-1/40 SECTOR-I RAJ NAGAR
GHAZIABAD 201001

PARUL JAIN
COMPANY SECRETARY
M. NO.: A50066
ADD: 85, GAJJUKATRA,
BARA BAZAAR, SHAHDARA
DELHI 110032

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview of Logistics Industry

The growth of the global logistics market is directly related to the development of international trade flow and the current economic environment. Asia Pacific and North America appear to be the most attractive markets for logistics, particularly when it comes to contract service such as third-party logistics. The global logistics market to grow at a CAGR of 6.54% during the period 2017-2021.

In the wake of globalization, the importance of logistics is increasing as more and more, both national and multi-national companies are sourcing, manufacturing and distributing their products and services on a global scale. Thus, the recognition of performance of logistics industry would become prime importance of economic development for India in long term. Favourable government trade policies have resulted in an increased demand for logistics services to keep pace with the increased logistics needs of importers and exporters which provides opportunity for expansion to the existing vendors.

Indian Logistic Industry

The Indian logistics industry is estimated to be worth around US\$ 160 billion in 2016-17 and has grown at a compound annual growth rate (CAGR) of 7.8 per cent over the past five years. Considering the impact of implementation of the Goods and Services Tax (GST), the Indian logistics market is expected to reach about US\$ 215 billion in 2019-20, growing at a CAGR of 10.5%. Improved logistics have huge implications on increasing exports, as a 10% decrease in indirect logistics cost can contribute to around 5-8% of extra exports. India has improved its ranking in the "Logistics Performance Index" (LPI) from 54 in 2014 to 35 in 2016.

Our Business Overview

We are an organized third-party logistics service operator offering logistics solutions to a wide range of customers. We offer Full Truck Load (FTL) and "hub-and-spoke" transportation model and warehousing services to select clients with pan-India distribution network and automated technology systems. Our customers operate in various sectors across India, including automotive and heavy

engineering, telecom, food and agro, fast-moving consumer goods ("FMCG"), paint and dairy. We believe our business model enables us to act as a service provider that can comprehensively cover our customers' logistics requirements. We provide solutions that enable our customers to leverage our distribution network which optimizes the performance, cost and efficiency of their supply chains, shortening their lead-time to market resulting in lower inventory costs to the customer.

We offer our customers services in three key areas (1) Transportation whereby we provide point-to-point, less-than truck-load, time-definite transportation services; (2) Warehousing whereby we provide warehousing, distribution and cold-chain warehousing; and (3) Value-added Services including, temperature-controlled logistics, supply chain solutions and cargo handling services at integrated check posts.

Risk and Concerns

Competition and Pricing

In the regions of India in which we operate, we face competition from certain regional logistics services providers and the unorganized sector, some of which have market presence in their respective areas of operation. We may also face competition from new entrants into the logistics service industry.

Dependency on trucks, machinery and equipment for business operations.

Our third-party logistics offerings are heavily dependent on trucks, machinery and equipment, including air conditioners, refrigeration infrastructure, data loggers, sorters and conveyors, vehicles and material handling equipment, including reefer trucks, forklifts, very narrow aisle trucks and battery-operated pallet trucks. And any failure or breakdown of such trucks or equipment could significantly affect our operations in that business. Any significant malfunction or breakdown of our machinery or equipment may entail significant repair and maintenance costs and cause delays in our operations.

Dependency on technology and automation

We use technology and automation processes throughout our logistics offerings to enable efficient and cost effective operational management to better serve our customers' supply chain needs. Some of our recent technology and automation implementation may not result in the expected efficiencies and benefits we anticipate, which could adversely affect our operations and financial condition. Further, technology is susceptible to outages and technical vulnerabilities, which may result in us incurring additional expenses from time to time.

Other Risk Factors

We have also listed out numerous risk factors in our Red Herring Prospectus issued in March, 2018 during our IPO, many of these risks continue and we are constantly evaluating our options to address these in order to remain competitive.

Our Strengths

1. We are an integrated service provider with an extensive network of branches in a fast-growing third-party logistics market.

We are an integrated service provider with five (5) trans-shipment centres for LTL (less than truck load) at Guwahati, Bangalore, Hyderabad, Delhi-UP border, and Kundli (Delhi-Haryana border), forty nine (49) branches spread across India covering 23 states in India. The locations of branches and delivery network enables us to provide our customers with access to multiple destinations for booking and delivery of goods across India. We also provide our customers a mix of transportation services i.e. both road and rail, through the Container Corporation of India (CCI) and Indian Railways for express delivery of their shipments.

2. Extensive owned fleet of vehicles

We have a low carbon emitting young fleet of Tata Motors, Ashok Leyland and Eicher trucks equipped with a wide range of cargo loads beginning from 1 Ton, used for pick-up and delivery and 9 Ton to 20 Ton used for long haul transportation. The ratio of owned to third party vehicles used in operations is about 1:2 in the FY 2018. Presently, we own three hundred forty (340) containerized GPS-enabled vehicles of which one hundred ten (110) are

refrigerated (reefer) trucks.

3. Comprehensive solution for transportation requirements.

We provide comprehensive third-party logistics services through transportation, warehousing and temperature-controlled logistics at competitive rates. We provide end-to-end customised logistics, warehousing and supply chain solutions for certain select customers. Our ability to manage most of the supply chain requirements of our customers enables our customers to reduce the number of service providers they engage. Our logistics offerings also present us with cross-selling opportunities for providing warehousing facilities to the customers and other value added services.

4. Diverse customer base across many sectors.

Our customer base spans many sectors, including retail, pharmaceutical, telecom, automotive and heavy engineering, food and agro, FMCG, paint and dairy. We have a diversified customer base in each of the sectors we serve, including Indian corporate groups and multinational companies. We believe we are well positioned in the logistics industry in India, given our experience and infrastructure suited to serve a wide range of sectors. Over the years, we have built strong customer relations, demonstrating the value proposition we provide and positioning us for expected further growth.

5. We have adopted latest technology and automation.

We have adopted technology and automated processes for meeting client-specific needs. We have adopted various technologies and automation in our business, including (i) our Transport Management System ("TMS"), which provides shipment-level visibility from pick-up, to delivery, to billing as well as routing solutions, and is also linked to our enterprise resource planning system, (ii) our Vehicle Tracking System ("VTS"), which enables our customers to track their goods online and in real-time while in transit; (iii) remote access to our delivery vehicles and (iv) a real-time data logging system that enables us to monitor temperature variations in our distribution centres and our reefer trucks used in our temperature-controlled logistics services.

6. Experienced management team.

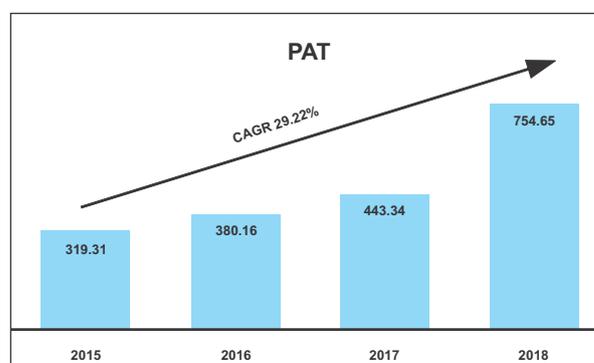
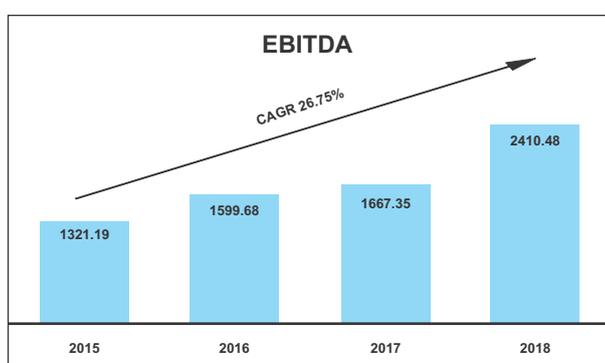
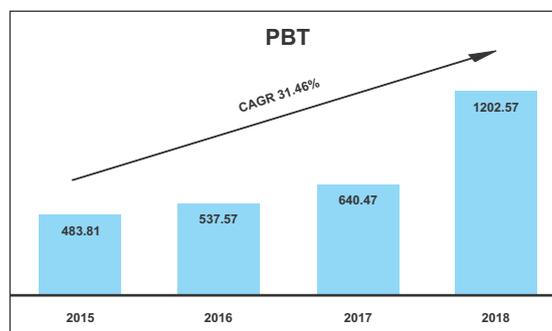
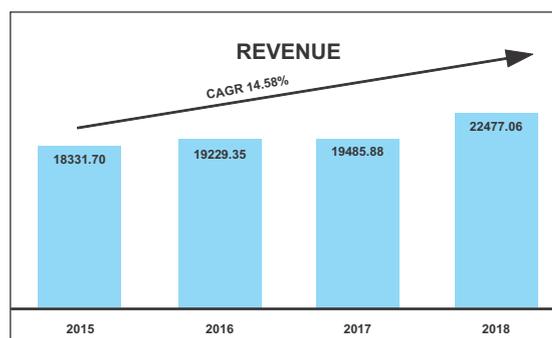
We have a management team with vast experience in the logistics industry. The quality of our management team has been critical in achieving our business results. All members of our senior management team have substantial experience. Our management team is responsible for formulating our strategy, managing our

service areas, diversifying our business and sector mix, ensuring strong operating and technology platforms and expanding our customer relationships. Further, our management team enables us to conceptualise and develop new services, effectively markets our services, and develop and maintain relationships with our customers and vendors.

Revenue

Rs. in Lacs

Particulars	As at March 31			
	2018	2017	2016	2015
Income				
Revenue from Operations	22433.32	19474.50	19218.75	18311.88
Increase/Decrease	15.35%	1.33%	4.95%	40.53%
Other Income	43.74	11.38	10.60	19.82
Increase/Decrease	284.36%	7.36%	-46.52%	110%
Total Revenue	22477.06	19485.88	19229.35	18331.70
Increase/Decrease	15.35%	1.33%	4.90%	40.57%
EBITDA	2410.48	1667.35	1599.68	1321.19
As a % of Total Revenue	10.72%	8.56%	8.32%	7.21%
Increase/Decrease	44.57%	4.23%	21.08%	41.45%
Profit before Tax (PBT)	1202.57	640.47	573.57	483.81
As a % of Total Revenue	5.35%	3.29%	2.98%	2.64%
Increase/Decrease	87.76%	11.66%	18.55%	20.17%
Profit after Tax (PAT)	754.65	450.45	380.16	319.31
As a % of Total Revenue	3.36%	2.31%	1.98%	1.74%
Increase/Decrease	67.53%	18.49%	19.06%	17.97%



Revenue

In the financial year 2017-18, the company achieved significant increase of 15.35 % in revenues over last year revenues. In financial year 2016-17, the increase was only 1.33%.

The significant increase in revenues in FY 2017-18 was driven mainly by volume growth and price mix realization and addition of some valuable customers.

Costs

We recognize that our future success hinges on our ability to manage our cost structure and optimize the cost of doing business. With this , we improved our EBITDA margin to the level of 10.72% of total revenue from 8.61% in the last FY 2016-17.

Our major cost items include diesel cost for trucks operations, freight expenses, staff cost and infrastructure costs. All these costs have been largely maintained and marginally reduced to expected levels. The same is reflecting in improvement of EBITDA margin. We are continuing our efforts to keep our costs in check and ensure that we manage our business efficiently.

PBT and PAT

Consequent to the above growth in EBITDA, we improved our PBT to the level of 5.35% of total revenue from 3.29 % in the last FY 2016-17. And improved our PAT to the level of 3.36% of total revenue from 2.31% in the last FY 2016-17.

Thus , our diluted EPS improved significantly to Rs.10.47 from Rs.6.25 per equity share of Rs.10 each reflecting an improvement of 67.52%.

Cash and Bank

Our cash and cash equivalents increased to Rs.146.30 lacs at the end of FY 2017-18 from Rs. 69.80 lacs at the end of last FY 2016-17 . This was driven by operating cash inflow of Rs. 1370.73 lacs post taxes and working capital changes. Capital expenditure consumed Rs. 1255.73 lacs as against Rs. 921.74 lacs in the last FY 2016-17

Strategy for Growth

Our growth strategy continues to be based on the following :-

- Continue to expand our presence in the market to cater logistics services

- Continue to expand our infrastructure and branches network in various parts of India to provide door step logistics services to our customers
- Continue to expand our own fleet of transport vehicles of various descriptions including refrigerated transport vehicles suitable for cold chain supplies and distribution network. The expansion of own fleet of transport vehicles is fully correlated with the long term contracts with the customers with assured business.
- Continue to expand our capabilities to provide comprehensive logistics solutions to all our customers and thus offering single window logistics solutions to the industry at large requiring logistics services.
- Continue to expand and up gradation of technology used in our industry.
- Development of own warehouse spaces , logistics parks and other storage facilities
- Our focus will continue to drive revenue growth through volumes and service mix. Thus , our business model will continue to focus on productive improvement to the satisfaction of all our customers to have competitive pricing and use of latest technology to build strong base.

HUMAN RESOURCES

We are one of the leading companies providing logistics services in India. Transportation , warehousing and logistics industry is service delivery industry and thus the role of human resources is vital in providing quality services to the customers.

The company business has been constantly growing since the start of it's business in the year 2010. Accordingly, the human resources has to be commensurate with the size and growth of the business. As per company HR policy , it has been employing suitable no. of employees from time to time of requisite qualifications and experience and requisite expertise in respective fields. As of 31st March, the company has 281 employees including trainees. The focus during the year has been around enhancing the productivity of employees. The growth in business was achieved with marginal increase in workforce strength. This

was achieved by active redeployment of resources, introducing multi-taskers and job enlargements.

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

The company continues to invest in capability building of its employees. Sales force and customer service capability building has been a focus. To further increase the skills of employees, trainings have been provided in technical, behavioral areas.

those suggested. These risks and uncertainties includes, but are not limited to, our ability to successfully implement our strategy, future business plans, our growth and expansion in business as well as other general risks applicable to the business or industry. The company undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof. These discussion and analysis should be read in conjunction with the company's financial statements included herein and notes thereon.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has suitable internal control system in place with systems for segregation of duties, access controls and other relevant control practices.

We have conducted an annual review of our internal financial control process and evaluated the risk matrices for identified processes, updated our SOPs and taken appropriate actions to further improve the control systems. We are also working to establish a framework for enterprise Risk Management for which we will further strengthen our overall risk management environment. Our internal control system is supported by our Internal Auditors and our Audit Committee.

We recognize that internal controls need to be improved and strengthened on an ongoing basis.

FORWARD LOOKING STATEMENT

Except for the historical information contained herein, statement in this discussion which contains words or phrases such as will, would, indicating, expected to etc., and similar expressions or variations of such expressions may constitute 'forward looking statements'. These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31st, 2018**
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AVG Logistics Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AVG Logistics Limited (hereinafter called "**the company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year 2017-2018 ended on March 31st 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year 2017-2018 ended on March 31st, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws frame thereunder; **[Not applicable as the company has got listed on April 11th, 2018 and therefore not applicable for the financial year under review]**
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **[Not applicable as the company was not listed during the financial year under review]**
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **[Not applicable as the company was not listed during the financial year under review]**
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable as the company was not listed during the financial year under review]**
The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **[Not applicable as the company was not listed during the financial year under review]**
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
 - F. The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review];**
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **[Not applicable as the company was not listed during the financial year under review]**
- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable as the company was not listed during the financial year under review]**
6. The management has not identified and confirmed any laws as specifically applicable to company.
7. We have also examined compliance with the applicable clauses of the following:
 - A. Secretarial Standards issued by The Institute of Company Secretaries of India;
 - B. The Listing Agreements entered into by the Company with National Stock Exchange India Limited;
 - C. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines,

Standards, etc. mentioned above subject to the following observations:

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

We further report that: The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven clear days in advance or consent of all directors were received in writing for shorter Board Meeting notice except In some of the events, the consents were not made available for verification and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

- 1. Conversion into Public Company:** The Company was a private limited company at the beginning of Financial Year 2017-18 and was formerly known as "AVG Logistics Private Limited" and it was desirous of being listed on stock exchange hence a special resolution was passed unanimously by the members in the extra-ordinary general meeting on 19th January, 2018 for conversion of the company into a public company and was subsequently approved by the Registrar of Companies, Delhi by providing a fresh Certificate of Incorporation of the company after conversion on 21st February, 2018 and hence the company was successfully converted into a public company namely "AVG Logistics Limited".
- 2. Bonus Shares:** During the year company has issued Bonus shares of Rs. 10.00 Each to existing shareholders from its reserves in the proportion of (10:7) in the Extra-ordinary General Meeting of the company held on Wednesday, 31st day of January 2018, Accordingly the changed paid-up share capital structure of the company was Rs. 7,20,80,000 as on 31st March 2018.
- 3. Initial Public Offer And Listing Of Shares:** During the year the Company has decided to come out with an IPO on NSE SME EMERGE platform by issuing of 30,90,000 Further equity shares with a face value of Rs. 10/- each at a premium of Rs.97/- per equity share and as such successfully complied with all applicable clauses relating to IPO compliances and accordingly Red Herring Prospectus has been filed on 14.03.2018 with the ROC and the issue was opened on 28.03.2018.
- 4. Listing of Shares:** The Company was listed on SME Emerge platform of National Stock Exchange on 11th April, 2018.
- 5. Stamping of shares:** Compliances pertaining to payment of stamp duty as on 31st day of March, 2018 on issuance of equity shares was not complied and it was explained to the Secretarial auditor that the company has filed all the requisite documents with the revenue department for payment of stamp duty and matter is pending with SDM.
- 6. Compliance regarding filing of Returns/ Forms with MCA:** The Company although has complied with all the provisions with regards to filing of Returns/ Forms within the stipulated period prescribed for such purpose except In some of the cases where Forms/ Returns were filed with additional fees/ penalty.

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

M/s S.K. GAUR & ASSOCIATES

Mr. S.K. Gaur
FCS No.: 3528
C.P. No.: 10383

Date: 23.08.2018
Place: DELHI

Form DIR-2

Consent to act as a director of a company

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

To

AVG LOGISTICS LIMITED

OFFICE NO. - 25, D.D.A. MARKET, SAVITA VIHAR 110092

Subject: Consent to act as a director.

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

1.	Director Identification Number (DIN)	02864795
2.	Name (in full)	Asha Gupta
3.	Father's Name (in full)	Bahadur Mal Agarwal
4.	Address	423, Kanungo Appartment, I.P. Extn, Patparganj, New Delhi
5.	E-mail id	vgupta5678@avglogistics.com
6.	Mobile No.	8527494079
7.	Income-tax PAN	AETPG8803J
8.	Occupation	Business
9.	Date of birth	08/08/1969
10.	Nationality	Indian

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

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

DECLARATION

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

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

DATE: 23.08.2018**PLACE: DELHI****ASHA GUPTA****DIN: 02864795**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AVG LOGISTICS LIMITED, NEW DELHI

Report on the Financial Statements

We have audited the accompanying financial statements of AVG LOGISTICS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31 2018 and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With Respect to the Adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such Controls, refer to our

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:

- The Company has disclosed the impact of pending litigations on its financial position in its financial notes on accounts.
- The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
- The company did not have any amount which were required to be transferred to the Investor Education and Protection fund during the year.

FOR PRAKASH K PRAKASH
CHARTERED ACCOUNTANTS
ICAI FIRM REGN NO 000415N

PRAKASH K GUPTA
PARTNER
MNO - 080320

31.05.2018
New Delhi

Annexure A referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of our report of even date on the accounts for the year ended 31st March 2018.

(i) (a) As per the information and explanations provided to us and on the basis of our verification, the Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipments.

(b) As per the information and explanations provided to us, all Property, Plant & Equipments have not been physically verified by the management of the company 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 assets. No material discrepancies were noticed on such verification.

(c) As per the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of company.

(ii) The management has conducted physical verification of inventory at reasonable interval during the year and no material discrepancies were noticed on such verification.

(iii) As per the information and explanations provided to us, during the year the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

(v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(vi) As per the information and explanations provided to us and to best of our knowledge, provisions of Section 148 of the Act, are not applicable to the Company with regard to maintenance of Cost Records.

(vii) (a) According to records of the company and information and explanation given to us the company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, TDS, GST and any other statutory dues with the appropriate authorities although there has been a delay in many cases.

(b) According to the information and explanation given to us, no un-disputed amounts payable in respect of provident fund, ESIC, GST & other material dues were outstanding at the year end, for a period of more than six months from the date they become payable. The provision relating to excise duty, Value added tax are not applicable on the company.

(c) According to the information and explanation given to us, there are no dues of income tax and other taxes including cess which have not been deposited on account of any dispute.

(viii) As per the information and explanations provided to us, the company has not defaulted in repayment of dues to any bank or financial institution at the balance sheet date. Further, there are no debenture holders as on date of Balance Sheet.

(ix) As per the information and explanations provided to us, the money raised from terms loans by the company are by and large applied for the purpose for which these were taken. Further, the company has not raised

money by issue of Debentures or initial Public offer although the company was under process of raising money from public at the end of year.

- (x) Based upon the audit procedure performed for the purpose of reporting the true & fair view of the financial statement and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to the information and explanation given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of the section 197 read with Sch V of the companies Act, 2013.
- (xii) In our opinion, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable and hence not commented upon.
- (xiii) As per the information and explanations provided to us, the company has complied with section 177 & Section 188 of the companies Act, 2013 for all the transactions with related parties and the same has been disclosed in the financial statements.
- (xiv) As per the information and explanations provided to us, the Company has made private placement of shares by issuing bonus shares during the year under review and has complied with the section 42 of the companies Act, 2013.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of the companies Act, 2013
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable on the Company.

FOR PRAKASH K PRAKASH
CHARTERED ACCOUNTANTS
ICAI FIRM REGN NO 000415N

PRAKASH K GUPTA
PARTNER
MNO - 080320
31.05.2018
New Delhi

Annexure B referred to the Independent Auditor's Report to the Members of AVG LOGISTICS LIMITED being report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **AVG LOGISTICS LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting bases on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial controls over Financial Reporting (the "Guidance Note") and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that evaluating the design, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of

material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition 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 expenditure of the company are being made only in accordance with authorizations of management and directors of the company.
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting

criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR PRAKASH K PRAKASH
CHARTERED ACCOUNTANTS
ICAI FIRM REGN NO 000415N

PRAKASH K GUPTA
PARTNER
MNO - 080320

31.05.2018
New Delhi

BALANCE SHEET AS AT 31TH MARCH, 2018

(Amt in INR)

Particulars	Notes	As At 31.03.2018	As At 31.03.2017
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	72,080,000	42,400,000
Reserves and Surplus	3	223,912,271	178,126,934
Non-Current Liabilities			
Long-Term Borrowings	4	163,650,652	153,770,337
Deferred Tax Liabilities (Net)		10,534,143	14,646,268
Other Long Term Liabilities	5	41,883,146	15,864,222
Long term Provisions	6	6,621,831	-
Current Liabilities			
Short-Term Borrowings	7	296,562,523	272,520,358
Trade Payables	8	47,081,499	34,640,112
Other Current Liabilities	9	131,692,316	101,827,907
Short-Term Provisions	10	48,805,328	21,527,039
		1,042,823,710	835,323,177
ASSETS			
Non-Current Assets			
Fixed Assets			
Property, Plant & Equipments	11	216,092,210	211,428,263
Capital Work in Progress		43,212,844	540,184
Non-current investments	12	37,277,568	13,446,592
Long term loans and advances	13	33,671,536	30,542,497
Current Assets			
Inventories	14	1,654,508	721,401
Trade receivables	15	472,753,694	419,321,017
Cash and cash equivalents	16	14,629,716	6,980,006
Short-term loans and advances	17	223,531,635	152,343,217
		1,042,823,710	835,323,177
Summary of Significant Accounting Policies	1-25	-	

The accompanying notes are an integral part of financial statements

As per our Report of even date
For PRAKASH K PRAKASH
 Chartered Accountants
 ICAI Firm Regn No. 000415N

For and on behalf of the board of directors of
AVG LOGISTICS LIMITED

PRAKASH K GUPTA
 Partner
 Membership No. 080320

PARUL JAIN
 Company Secretary

ARUN KUMAR GOEL
 CFO

31st May, 2018
 New Delhi

SANJAY GUPTA
 Managing Director
 DIN : 00527801

ASHA GUPTA
 Director
 DIN : 02864795

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2018

(Amt in INR)

Particulars	Notes	For the year ended 31.03.2018	For the year ended 31.03.2017
Income			
Revenue from operations	18	2,243,332,891	1,947,449,690
Other Income	19	4,373,920	1,138,346
		2,247,706,811	1,948,588,036
Expenses			
Operating Expenses	20	1,797,553,064	1,634,859,556
Employee Benefit Expense	21	111,140,254	68,153,065
Financial Costs	22	63,791,754	54,938,107
Depreciation and Amortization Expense	11	56,999,295	47,749,868
Other Expenses	23	97,965,250	77,778,286
		2,127,449,616	1,883,478,881
Profit before exceptional and extraordinary items and tax		120,257,195	65,109,155
Exceptional & Extraordinary Items		-	-
Profit before extraordinary items and tax		120,257,195	65,109,155
Extraordinary Items		-	-
Profit before tax		120,257,195	65,109,155
Tax expense:			
(1) Current tax		48,903,982	21,527,040
(2) Deferred Tax		(4,112,125)	(1,463,153)
Profit for the year		75,465,337	45,045,268
Earning per equity share (nominal Value of Share Rs 10 (PY Rs 10)			
(1) Basic	24	10.47	6.25
(2) Diluted	24	10.47	6.25

Summary of Significant Accounting Policies 1 -25

The accompanying notes are an integral part of financial statements

As per our Report of even date

For PRAKASH K PRAKASH
Chartered Accountants
ICAI Firm Regn No. 000415N

For and on behalf of the board of directors of
AVG LOGISTICS LIMITED

PRAKASH K GUPTA
Partner
Membership No. 080320

PARUL JAIN
Company Secretary

ARUN KUMAR GOEL
CFO

31st May, 2018
New Delhi

SANJAY GUPTA
Managing Director
DIN : 00527801

ASHA GUPTA
Director
DIN : 02864795

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

Particulars	For the period ended 31 March, 2018		For the year ended 31 March, 2017	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		120,257,195		65,109,154
<u>Adjustments for:</u>				
Depreciation and amortisation	56,999,295		47,749,868	
Provision for impairment of fixed assets and intangibles	-		-	
Amortisation of share issue exp. and discount on shares	-		-	
(Profit) / loss on sale / write off of assets	666,753		26,675	
Expense on employee stock option scheme	-		-	
Finance costs	63,791,754		54,938,107	
Interest income	-1,927,204		-749,456	
Dividend income	-		-	
Net (gain) / loss on sale of investments	-		-	
Adjustments to the carrying amount of investments	-		-	
Provision for losses of subsidiary companies	-		-	
Provision for doubtful trade and other receivables, loans and advances	-		-	
Provision for estimated loss on derivatives	-		-	
Provision for warranty	-		-	
Provision for estimated losses on onerous contracts	-		-	
Provision for contingencies	-		-	
Other non-cash charges (specify)	-		-	
Net unrealised exchange (gain) / loss	-		-	
		118,197,091		101,965,194
Operating profit / (loss) before working capital changes		238,454,286		167,074,348
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>		-128,683,241		-95,970,144
Trade receivables	53,432,677		46,330,567	
Short-term loans and advances	71,188,418		21,493,058	
Long-term loans and advances	3,129,039		14,699,926	
Other current assets	933,107		-	
Other non-current assets	-		13,446,593	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		76,205,917		7,130,525
Trade payables	12,441,387		11,463,170	
Other current liabilities	29,864,409		16,424,987	
Other long-term liabilities	-		-	
Short-term provisions	27,278,289		2,168,708	
Long-term provisions	6,621,831		-	
		185,976,961		78,234,729
Cash flow from extraordinary items		-		-
Cash generated from operations		185,976,961		78,234,729
Net income tax (paid) / refunds		48,903,982		21,527,038
Net cash flow from / (used in) operating activities (A)		137,072,979		56,707,691

Cash Flow Statement for the period ended 31 March, 2018 (Contd.)

Particulars	For the period ended 31 March, 2018		For the year ended 31 March, 2017	
	₹	₹	₹	₹
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	-106,273,647		-93,180,677	
Proceeds from sale of fixed assets	2,604,499		257,000	
Inter-corporate deposits (net)	-		-	
Bank	-		-	
- Placed				
- Matured				
Current investments not considered as Cash and cash equivalents			-	
- Purchased	-8,330,976			
- Proceeds from sale				
Purchase of long-term investments	-		-	
- Subsidiaries				
- Associates	-15,500,000			
- Joint ventures				
- Business units				
- Others				
Proceeds from sale of long-term investments	-		-	
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others				
Loans given	-		-	
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Loans realised	-		-	
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Interest received	1,927,204		749,456	
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				

Cash Flow Statement for the period ended 31 March, 2018 (Contd.)

Particulars	For the period ended 31 March, 2018		For the year ended 31 March, 2017	
	₹	₹	₹	₹
Amounts received from AOPs	-		-	
Amounts received from LLPs	-	-125,572,920	-	-92,174,221
Cash flow from extraordinary items		-		-
Net income tax (paid) / refunds		-125,572,920		-92,174,221
		-		-
Net cash flow from / (used in) investing activities (B)		-125,572,920		-92,174,221
C. Cash flow from financing activities				
Proceeds from issue of share warrants	-		-	
Share application money received / (refunded)	-		-	
Proceeds from long-term borrowings	9,880,315		42,571,179	
Other long-term liabilities	26,018,924		10,881,315	
Net increase / (decrease) in working capital borrowings	24,042,165		31,346,172	
Proceeds from other Long-term Securities	-		-	
Repayment of other short-term borrowings	-		-	
Finance cost	-63,791,754		-54,938,107	
Dividends paid	-		-	
Tax on dividend	-		-	
		-3,850,350		29,860,559
Cash flow from extraordinary items		-		-
Net cash flow from / (used in) financing activities (C)		-3,850,350		29,860,559
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		7,649,709		-5,605,971
Cash and cash equivalents at the beginning of the year		6,980,006		12,585,977
Cash and cash equivalents at the end of the year		14,629,716		6,980,006

Note :

- ii The Cash flow Statement has been prepared in accordance with the "indirect method" as set out in the "AS-3-Cash Flow Statements" as specified in the Companies (AS) Rules,2006.
- iii The above Cash Flow Statement has been compiled with and is based on the Balance Sheet as at March 31, 2018 and the Profit and Loss Account for the period ended March 31, 2018

As per our Report of even date

For PRAKASH K PRAKASH
Chartered Accountants
ICAI Firm Regn No. 000415N

For and on behalf of board of directors of
AVG LOGISTICS LIMITED

PRAKASH K GUPTA
Partner
Membership No. 080320

PARUL JAIN
Company Secretary

ARUN KUMAR GOEL
CFO

31st May, 2018
New Delhi

SANJAY GUPTA
Managing Director
DIN: 00527801

ASHA GUPTA
Director
DIN: 02864795

NOTE - 1

SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2018.**1. Background and Nature of businessAVG LOGISTICS LIMITED**

(the company, CIN: L60200DL2010PLC198327) (formally known as AVG Logistics Private Limited) was incorporated on 25th January, 2010 under the Companies Act, 1956. The main object of the company is of transportation of goods and warehousing and other incidental activities there to. The registered office the company is situated in the state of New Delhi. As on the date of Balance Sheet, company's equity share were in the process of getting listed on NSE- SME Platform. Further on 11.04.2018, the equity shares of Company got listed on Stock Exchanges. The financial statements for the year ended March 31, 2018 were approved by the Board of Directors on May 30, 2018.

1. Significant Accounting Policies**• Basis of Accounting & Revenue Recognition**

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting. The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

• Use of estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year.

• Revenue Recognition

- ✓ Revenues / Incomes and Cost / Expenditures are generally accounted on accrual basis, as and when they are earned or incurred.
- ✓ Revenues from sale of services are recognized on completion of related services, and are exclusive of service tax / GST as applicable.
- ✓ Overheads, which could be directly attributed to the units, are booked in the respective units.

• Property, Plant and Equipment

Property, Plant and Equipments are stated at cost, net of accumulated depreciation/ amortization and impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working conditions for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred. Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of asset and are recognized in the statement of profit and loss when the asset is derecognized.

• Depreciation on Property, plant and equipment

Leasehold land is amortized on a straight line basis over the period of the lease which is of 30 years.

The company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life. Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on useful lives of the assets considering the guidelines of Part C of Schedule II to the Companies Act, 2013.

Asset Category	Useful Life (in years)
Furniture & Fitting	10 Years
Vehicles	08 Years
Office Equipments	05 Years
Computers	03 Years
Trucks	06 Years

• **#Inventories**

Stock of Spare Parts, Tyre and Oil is valued at Lower of cost or Net realizable value. Cost comprises of purchase prices, expenses incurred to bring inventory to its present location and related taxes net of tax credit, if any, available. Cost is determined on a first-in-first-out method.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale

• **Retirement and other Employees' Benefits**

Employer's Contribution to the P.F. / E.S.I. are made at a pre determined rate and charged to profit and loss account. The company operates a defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses for the said defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

• **Contingencies and Provisions**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

• **Borrowing Cost**

Borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of that asset subject to the provisions of impairment of the assets and other borrowing cost are recognized as an expenses in the period in which they are incurred.

• **Investments**

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 fully acquired or partly acquired, by issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

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.

• **Segment Reporting**

The Company has identified Transportation business segments (industry practice) as its primary segment and warehousing business segments as its secondary segment. As the Company's business activity falls primarily within a single primary business segment and a single geographical segment (within India), the disclosure requirements of Accounting Standard 17 - 'Segment Reporting' in this regard are not applicable.

• **Accounting for Taxation and Deferred Tax**

Tax expense comprises of current and deferred taxes. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective jurisdictions where the Company operates.

Deferred Income Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legal enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax.

The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e, the

period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes Mat credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement."

• ##### Earning per share

The basic earning per equity share is computed by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding at the end of the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

• Impairment

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

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

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

• Leases

Where the company is lessee

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property or present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining

balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges and other initial direct cost of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

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 statement of profit and loss on a straight-line basis over the lease term.

Where the company is the lessor

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating lease are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as lease costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES TO FINANCIAL STATEMENTS

a) Contingent Liabilities :

- Bank Guarantee issued by Banks in favour of company outstanding as on 31.03.2018 is Rs.844.14Lacs(P.Y. - Rs.422.23Lacs)
- Claim against company not acknowledged as debt. Rs. 7.5Lakhs.
- # Claim against the company under Labour Law There are two cases pending before Labour Court filed by ex-employees of the Company. The quantum of liability cannot be ascertained and will be decided by the Labour Law Court in due course of time.

b) Current Assets and Loans & Advances

In the opinion of Board of Directors, the Current Assets, Loans & Advances received and payable are

approximately of the value stated if, realized in the ordinary course of business. Provisions for all known and determined liabilities are adequate and not in excess of the amount reasonably required. Balance of Payables and receivable are subject to confirmation & reconciliation in the normal course of business.

c) Micro, Small and Medium Enterprises

As the company has no information about the status of vendor, the management is not able to identify the dues outstanding to micro and small enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006.

d) Long Term Borrowings

Long terms borrowings shown are obligations under finance lease which are secured against fixed assets obtained under finance lease arrangements.

Details of Securities given against secured loans availed by the company:

S.No.	Name of the Lender	Type of Loan	Outstanding balance as on 31.03.2018	Securities created	Remaining EMI's as on 31.03.2018	Rate of Interest (%)	EMI Amount
1	HDB Financial Services Ltd	Truck Loan	9488557	Hypothecation of Trucks	28	10.82-12.00	44003-60702
2	Hinduja Leyland Finance Ltd	Truck Loan	3143788	Hypothecation of Trucks	4	11.35	44192-72984
			6631200	Hypothecation of Trucks	17	14.12	35989
			23679441	Hypothecation of Trucks	35	11.55	73021-73024
3	ICICI Bank Ltd.	Truck Loan	2948165	Hypothecation of Trucks	9	12.29	18840-51138
			4105113	Hypothecation of Trucks	14	11.51	18751-44876
			1555536	Hypothecation of Trucks	27	10.01	32293
			5141061	Hypothecation of Trucks	28	10.01	24697-31450
			10745927	Hypothecation of Trucks	40	11	12636-68318
			17023276	Hypothecation of Trucks	43	9.50	14294-31812
			24780000	Hypothecation of Trucks	47	9.75	64164
			4745940	Hypothecation of Trucks	12	13.56	16311-48652
4	India Infoline Finance Ltd	Truck Loan	7315536	Hypothecation of Trucks	21	13.07	31150-33610
			3536858	Hypothecation of Trucks	22	13.00	20172
			3926486	Hypothecation of Trucks	23	13.00	20172-34725

5	Indusind Bank	Truck Loan	933275	Hypothecation of Trucks	1	12.03	39503-73557
			5925512	Hypothecation of Trucks	30	11.10	32084-35642
			7315066	Hypothecation of Trucks	32	11.10	32084-35668
6	Kotak Mahindra Bank Ltd	Car Loan	144468	Hypothecation of Car	14	10.00	10975
7	Kotak Mahindra Bank Ltd	Truck Loan	11563690	Hypothecation of Trucks	32	13.00	23039-31230
			7110679	Hypothecation of Trucks	33	12.50	16603-40965
8	Reliance Commercial Finance Ltd	Truck Loan	1898518	Hypothecation of Trucks	8	14.02	39170-34275
9	TATA Capital Financial Services Ltd	Truck Loan	3076372	Hypothecation of Trucks	26	13.35	13375-32650
10	Tata Motors Finance Ltd.	Truck Loan	405726	Hypothecation of Trucks	1	11.24	40960
			182408	Hypothecation of Trucks	2	11.16	18940
			29100000	Hypothecation of Trucks	47	9.01	49500
11	Union Bank of India	Car Loan	25214	Hypothecation of Car	2	10.00	12179
12	Volkswagon Finance Pvt Ltd	Car Loan	1374356	Hypothecation of Car	24	10.25	64111
13	Punjab National Bank	Car Loan	1507925	Hypothecation of Car	46-50	10.00	7000-28500
14	Union Bank of India	Car Loan	1755456	Hypothecation of Car	40-45	10.00	1910-13291
15	Punjab National Bank Ltd	Term Loan	5644416	Term Loan for Warehouse Construction as building and lease hold land as primary security	28	10.8	Repayment will start from 2019
16	Punjab National Bank Ltd	Cash Credit Limit	286972210	Hypothecation of Book Debts and Personal Properties of directors and guarantee by directors	-----	10.5	
17	Union Bank of India	Cash Credit Limit	9590313	Hypothecation of Book Debts and Personal Properties of directors and guarantee by directors	-----	10.5	

e) Earning / Expenditure in Foreign Currency : Rs.NIL (Previous Year Rs.NIL)

f) Related Party Disclosures: -

In accordance with the required Accounting Standard (AS – 18) on related party disclosure where control exists and where transactions have taken place and description of the relationship as identified and certified by the management are as follows:

(a) Name of the related parties where control exists

Description of Relationship	Name of the party
Enterprises over which the key management personal have the significant influence.	<ol style="list-style-type: none"> 1. M AEnterprises - Partnership Firm - Directors are partner of the firm. 2. PCG Logistics Pvt Ltd - Group Company - Common Directors 3. NDR AVG Logistics - LLP (Associate concern)
Key Management Personnel	<ol style="list-style-type: none"> 1. Sanjay Gupta, Managing Director 2. Asha Gupta, Director 3. Shyam Sunder Soni, Independent Director 4. Suresh Kumar Jain, Independent Director 5. Biswanath Shukla, Independent Director 6. Vinayak Gupta, VP, Relative of Director. 7. Arun Kumar Goel, CFO (Joined on 20.01.2018) 8. Parul Jain, Company Secretary (Joined on 20.01.2018)

(b) Related parties and nature where transaction have been taken place:

Description of Relationship	Name of the party
Enterprises over which the key management personal have the significant influence.	<p>M A Enterprises - Partnership Firm PCG Logistics Pvt Ltd - Group Company NDR AVG Logistics - LLP</p>
Key Management Personnel	<ol style="list-style-type: none"> 1. Sanjay Gupta, Managing Director 2. Asha Gupta, Director 3. Shyam Sunder Soni, Independent Director 4. Suresh Kumar Jain, Independent Director 5. Biswanath Shukla, Independent Director 6. Vinayak Gupta, VP, Relative of Director. 7. Arun Kumar Goel, CFO (Joined on 20.01.2018) 8. Parul Jain, Company Secretary (Joined on 20.01.2018)

(c) Transactions during the year:

Nature of Transaction	Year ended 31.03.2018 (Rs.)	Year ended 31.03.2017 (Rs.)
I. Enterprises over which the key management personal having significant influence		
<u>Prem Crane & Transport Services</u>	NIL	90,33,286
Slump Purchase by the company.	NIL	5,40,00,000
Expenses of Truck Hiring Charges		
<u>NDR AVG Logistics LLP</u>		
Investment as Partner in an LLP	1,55,00,000	NIL
<u>MA Enterprises</u>		
Business Transactions (Rental income from office Premises)	70,800	NIL
<u>PCG Logistics Private Limited</u>		
Business Transactions (Lorry Freight)	28,87,411	NIL

II Key Management Personnel & Other		
Shri Sanjay Gupta – Director Remuneration	72,00,000	60,00,000
Smt Asha Gupta – Director Remuneration	60,00,000	NIL
Niti Gupta – Remuneration	NIL	14,40,000
Sanjay Gupta – Rent (Office)	NIL	1,20,000
Vinayak Gupta – Salary	19,16,129	6,00,000
Arun Kumar Goel	5,37,096	NIL
Parul Jain	47,000	NIL
Asha Gupta – Payment towards Slump Purchase of Business	83,27,820	NIL
Shyam Sunder Soni - Director sitting fees	40,000	NIL
Suresh Kumar Jain -Director sitting fees	40,000	NIL
Biswanath Shukla - Director sitting fees	40,000	NIL
<u>Closing Balances</u>		
MA Enterprises	70,800Dr	NIL
PCG Logistics Private Limited	20,37,436Dr	NIL
Asha Gupta	7,05,466 Cr	90,33,286 Cr
Sanjay Gupta	4,04,743 Cr	8,66,200 Cr
NDR AVG Logistics LLP	1,55,00,000Dr	NIL
Shyam Sunder Soni - Director sitting fees	36,000 Cr	NIL
Suresh Kumar Jain -Director sitting fees	36,000 Cr	NIL
Biswanath Shukla - Director sitting fees	36,000 Cr	NIL

g) **Capital Commitments :**

	March 31, 2018	March 31, 2017
Estimated amount of contracts remaining to be executed on account of Capital Commitments (net of advances)	2,77,38,623	NIL

h) **Employment benefits :**

a. **Contribution towards Provident fund**

	March 31,2018	March 31,2017
Employer's Contribution to Provident Fund	30,48,909	20,42,465

b. **Gratuity**

Gratuity has been recognized as defined benefit plan in accordance with Accounting Standard - 15 'Employee benefits' as under:

- Change in present value of obligation

	March 31,2018	March 31,2017
a) Present value of obligation as at beginning of the year.	0	N.A
b) Past Service cost	42,13,723	N.A
c) Current service cost	11,78,705	N.A
d) Interest Cost	0	N.A
e) Benefits paid	0	N.A
f) Actuarial (gain) /loss on obligations	0	N.A
Present value of obligation as at end of the year	53,92,428	N.A

- The amounts to be recognized in Balance Sheet

	March 31,2018	March 31,2017
a) Present value of obligation as at the end of the year	53,92,428	N.A
b) Fair value of plan assets as at end of the year	0	N.A
Net Liability recognized in Balance Sheet	53,92,428	N.A
-Current	13,98,625	N.A
-Non Current	39,93,803	N.A

- Expense recognized in the statement of Profit and Loss

	March 31,2018	March 31,2017
a) Current Service Cost	11,78,705	N.A
b) Past Service Cost	42,13,723	N.A
c) Interest Cost	0	N.A
d) Net Actuarial (gain)/ loss recognized in the year	0	N.A
Expenses recognized in the statement of Profit and Loss	53,92,428	N.A

S.no	Particulars	Year Ended				
		March 31,2014	March 31,2015	March 31,2016	March 31,2017	March 31,2018
1	Present value of	N.A	N.A	N.A	N.A	53,92,428

	obligation at the end of the year					
2	Fair Value of Plan assets at the end of the year	N.A	N.A	N.A	N.A	0
3	Funded Status	N.A	N.A	N.A	N.A	(53,92,428)
4	Actuarial gain / (loss) in PBO	N.A	N.A	N.A	N.A	0
5	Actual gain (loss) for the year - Plan Assets	N.A	N.A	N.A	N.A	N.A

Assumptions used to determine the benefit obligations:

	March 31,2018	March 31,2017
Discount Rate (per annum)	7.44 %	N.A
Rate of increase in compensation levels (per annum)	0.05 %	N.A
Rate of Return on Plan Assets	N.A	N.A
Expected Future Service (years)	22.68	N.A

- i) There are no outstanding derivative instruments on March 31, 2018 and as on March 31, 2017.
- j) The company has not contributed any funds towards CSR Liability in the absence of identification of the specified project under CSR Program.
- k) The company has establish an SPV with NDR Warehousing Pvt. Ltd. in the name and style of “NDR !VG Logistics LLP” for warehousing Project in Delhi. The company has invested Rs. 1.55 Cr. in the said LLP uptill 31.03.2018 toward its capital contribution.
- l) Figures for previous year have been regrouped or rearranged wherever considered necessary to confirm with current year figures.

For PRAKASH K PRAKASH
 CHARTERED ACCOUNTANTS
 CAI FIRM REG. NO: 000415N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
AVG LOGISTICS LIMITED

PRAKASH K GUPTA
 Partner
 Membership No. 080320

PARUL JAIN
 Company Secretary

ARUN KUMAR GOEL
 CFO

31.05.2018, New Delhi

SANJAY GUPTA
 Managing Director
 DIN : 00527801

ASHA GUPTA
 Director
 DIN : 02864795

This page has been intentionally left blank

ATTENDANCE SLIP

(TO BE PRESENTED AT THE ENTRANCE)

9th ANNUAL GENERAL MEETING OF AVG LOGISTICS LIMITED ON FRIDAY, 28TH SEPTEMBER, 2018 AT 3:00 P.M. At JP HOTEL & RESORTS, 6B, PATPARGANJ I.P. EXTENSION, NH-24, BEHIND CNG PETROL PUMP, DELHI- 110092

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

Name of the Member: Signature:

Name of the Proxy holder: Signature:

No. of Share(s) held

I hereby record my presence at the 09th Annual General Meeting of the Company held on Friday, 28th September, 2018 at

NOTE:

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

This page has been intentionally left blank

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

1. Name of the Member(s):
2. Registered address:
3. E-mail Id:
4. Folio No/ Clint Id:
5. DP ID:

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

1. Name:

Address:

E-mail Id:

Signature: _____, or failing him

2. Name:

Address:

E-mail Id:

Signature: _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 9th Annual General Meeting of the Company, to be held onat the.....registered office of the Company at, and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO:

Res. no.	Description	For	Against
1.	Adoption of Audited Financial Statements and Reports of the Board of Directors' and Auditors' thereon for the Financial Year ended 31st March, 2018		
2.	To Re-appoint Ms. Asha Gupta as Director (DIN: 02864795)		
3.	Appointment of Statutory Auditors		

Signed this _____ day of _____ 2018

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

This page has been intentionally left blank

**OUR CORE TEAM
BEHIND OUR SUCCESS**



SANJAY GUPTA
MANAGING DIRECTOR & CEO



VINAYAK GUPTA
VICE PRESIDENT



ARUN GOEL
CHIEF FINANCIAL OFFICER



S.G MATHUR
ADMINISTRATIVE OFFICER



PRAVEEN MAHLA
DGM FINANCE & ACCOUNTS



AJAY KUMAR
HEAD OF OPERATIONS



NIRAJ KUMAR
GM MARKETING & BD



SAURABH GREWAL
HEAD, FLEET MANAGEMENT



ASHOK KUMAR SHARMA
HEAD RAIL OPERATIONS



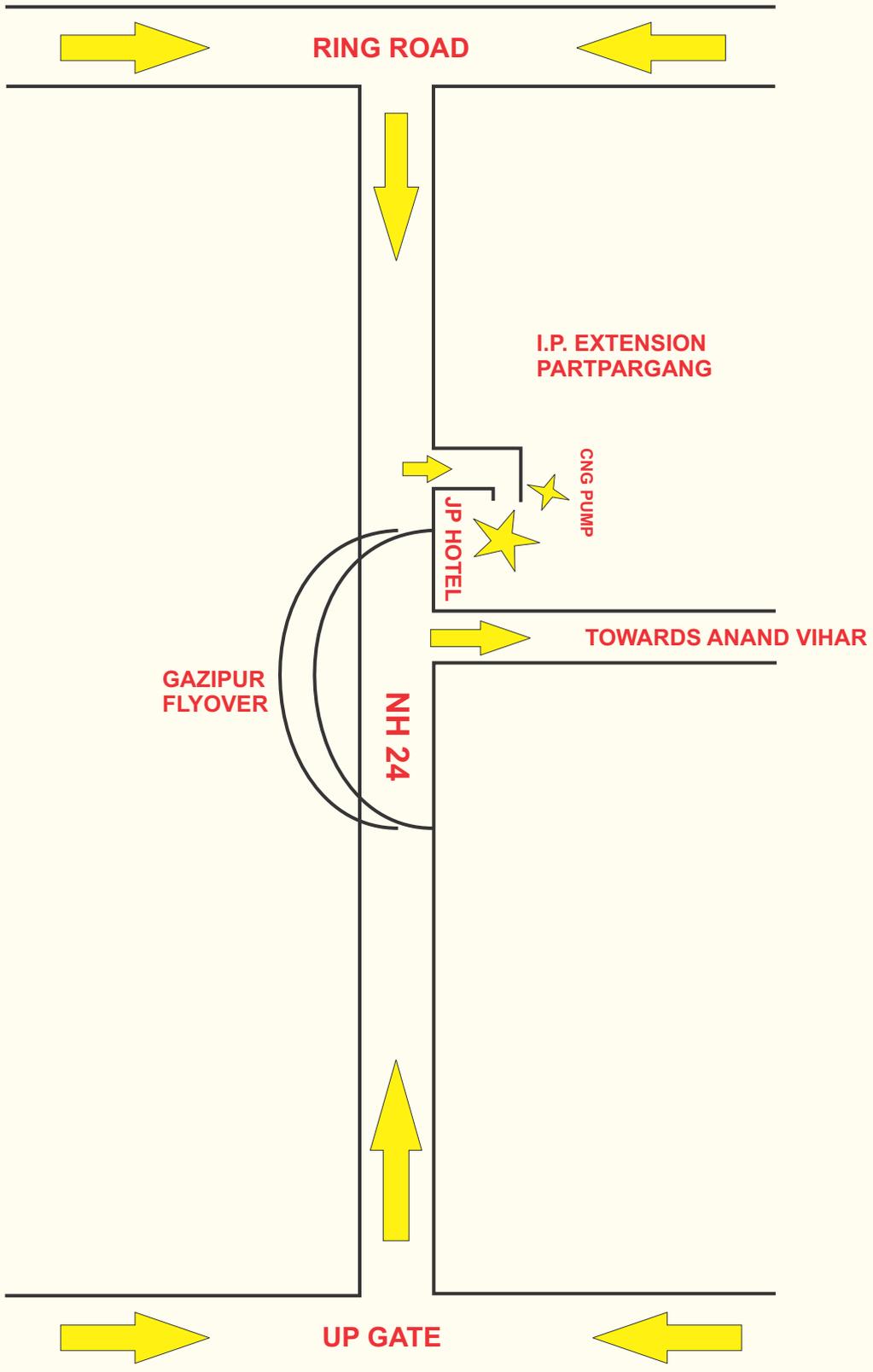
RAJEEV SHARMA
HEAD PARCEL BUSINESS

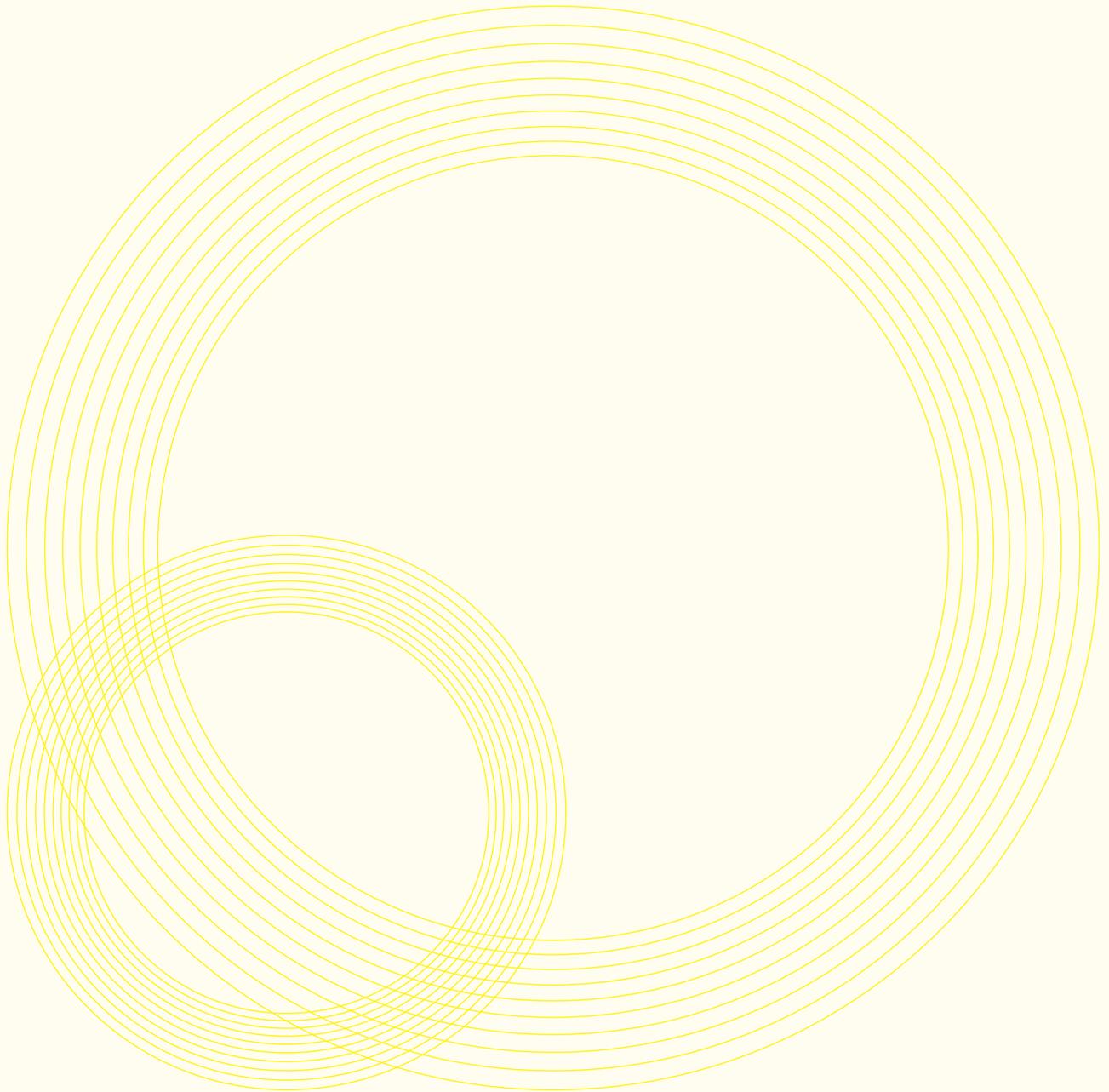
MD OFFICE



CORPORATE OFFICE







AVG LOGISTICS LIMITED

Registered Office : 25, DDA Market, Savita Vihar, Delhi - 110092

Corporate Office : 102, 1st Floor (Above State Bank of India)

Jhilmil Metro Station Complex, Delhi - 110095

Website : www.avglogistics.com

