

# A.V. THOMAS AND COMPANY LIMITED ALAPPUZHA

## BOARD OF DIRECTORS

Mr. Ajit Thomas (*Executive Chairman*)  
Mr. Dilip Thomas (*Executive Vice - Chairman*)  
Mr. P. Shankar I.A.S. (Retd.)  
Mr. A. D. Bopana  
Mr. Habib Hussain  
Mr. F.S.Mohan Eddy  
Mrs. Kavitha Vijay

## AUDIT COMMITTEE

Mr. P. Shankar I.A.S. (Retd.)  
Mr. A. D. Bopana  
Mr. F.S. Mohan Eddy

## AUDITORS

Suri & Co.  
Chartered Accountants  
No. 4, Chevaliar Shivaji Ganesan Salai,  
T. Nagar, Chennai - 600 017.

## BANKERS

Bank of Baroda  
Corporation Bank  
The Federal Bank Limited

## REGISTRAR & SHARE TRANSFER AGENT

Cameo Corporate Services Limited  
"Subramanian Building"  
No. 1, Club House Road, Chennai - 600 002.

## REGISTERED OFFICE

W-21/674, Beach Road,  
Alappuzha - 688 012.  
Tel: 0477-2243624 Fax: 0477-2243626  
Email: avt.alapuzha@gmail.com  
Website: www.avthomas.com

## CORPORATE OFFICE

No. 60, Rukmani Lakshmipathi Salai,  
Egmore, Chennai - 600 008.  
Tel: 044-28553249 Fax: 044-28553257  
CIN : U51109KL1935PLC000024

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## **A.V. THOMAS AND COMPANY LIMITED**

Registered Office: W-21/674, Beach Road, Alappuzha-688012  
CIN: U51109KL1935PLC000024

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### **NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the EIGHTY FOURTH ANNUAL GENERAL MEETING of the Company will be held at the Registered Office, at W-21/674, Beach Road, Alappuzha-688 012, at 11. a.m. on Thursday, the 22nd August, 2019 to transact the following business:

#### **Ordinary Business:**

1. To receive, consider and adopt the Audited financial statements (including the Consolidated financial statements) of the Company for the year ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon.
2. (a) To confirm the payment of Interim Dividend at Rs.75/- per Equity Share (750%) already paid for the year ended 31st March, 2019; and  
(b) To declare a Final Dividend of Rs.75/- per Equity Share (750%);
3. To appoint a Director in place of Mr.Habib Hussain (DIN: 00018665), who retires by rotation and, being eligible has offered himself for re-appointment.

#### **SPECIAL BUSINESS:**

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

“RESOLVED that pursuant to the provisions of Section 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded for the re-appointment of Mr.Ajit Thomas (DIN: 00018691), as Whole-Time-Director and designated as Executive Chairman of the Company for a period of three years commencing from February 1, 2019 to January 31, 2022, as per terms of remuneration stated hereunder:

1. Salary: Rs 5,00,000/- per month.
2. Perquisites and other benefits:
  - a) Company's contribution to Provident fund @ 12% in accordance with the rules of the Company.
  - b) Company's contribution to Superannuation fund @ 15% in accordance with the rules of the Company.
  - c) Gratuity: As per the rules of the Company.
  - d) Company car and communication facilities: Use of the Company's car, chauffeur and communication facilities at the residence for official purposes, as per the rules of the Company”
5. To consider and, if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:

#### **Re-appointment of Mr.A.D.Bopana as Independent Director**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act, Mr. A D Bopana (DIN: 00576066), Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act, and who is eligible for reappointment and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors at its meeting held on 15.02.2019 as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying intention to propose Mr. A D Bopana (DIN: 00576066), as a candidate for the office of director, be and is hereby reappointed as an independent director of the Company, to hold office with effect from 01.04.2019 to 31.03.2022, and whose office shall not be liable to retire by rotation”.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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

**Re-appointment of Mr.P.Shankar as Independent Director**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act, Mr P.Shankar (DIN: 01638317), Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act, and who is eligible for reappointment and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors at its meeting held on 15.02.2019 as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying intention to propose Mr P.Shankar (DIN: 01638317), as a candidate for the office of director, be and is hereby reappointed as an independent director of the Company, to hold office with effect from 01.04.2019 to 31.03.2022 and whose office shall not be liable to retire by rotation”

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Rajendran, Mani & Varier, Cost Auditors (Firm Registration No.000006), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020 be paid a remuneration of Rs.1,00,000 (Rupees One Lakh Only) per annum & taxes applicable thereon and reimbursement of out of pocket expenses incurred.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary or expedient to give effect to this resolution.”

By Order of the Board  
For A.V.THOMAS AND COMPANY LIMITED  
AJIT THOMAS  
Executive Chairman

Chennai  
10th June, 2019

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES:

- 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be 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 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 per cent 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 shareholder.**
3. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 17th August, 2019 to 22nd August, 2019 (both days inclusive).
5. The Final Dividend as recommended by the Board, if approved at this meeting, will be paid within 30 days from the date of declaration, to those members whose name appears in the Register of Members as on 16th August, 2019.
6. Members are requested to notify, any change in their address, email id and Bank Account details to the Company or to the Company's Registrar & Share Transfer Agent immediately.
7. Members are requested to furnish the Bank Account details in order to enable the Company to mention the same on the payment instrument, for distribution of dividends to the Investors.
8. Shareholders of the Company may avail the nomination facility by executing the prescribed nomination form, which can be obtained from the Registered Office of the Company or from the Company's Share Transfer Agent.
9. Pursuant to provisions of Section 124 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends from time to time on due dates, upto the financial year 2010-11 and Interim Dividend for the year 2011-12 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

Final Dividend declared for the year 2011-2012 and remaining unpaid or unclaimed is liable to be transferred to the Fund during the month of October 2019 and Interim Dividend paid for the year 2012-2013 remaining unpaid or unclaimed is liable to be transferred to the Fund during the month of March 2020. The shareholders are, therefore, advised to claim immediately from the Company the dividends, if any, for the said year remaining unpaid before they are transferred to the Fund.

Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("Rules") notified by the Ministry of Corporate Affairs on 28th February, 2017, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years to the IEPF Authority. The shareholders are requested to claim any unpaid dividend amount(s) immediately, failing which their shares shall be transferred to the demat account of the IEPF Authority as per the procedure stipulated in the Rules as amended from time to time.

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10. Members are requested to submit attested copy of PAN CARD of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) in case of transmission of shares, deletion of name of deceased shareholder(s) and transposition of shares, in respect of shares held in physical form, along with necessary documents at the time of lodgement of request for transmission/transposition
11. Documents referred to in the Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) during business hours, except holidays, upto the date of the meeting.
12. Voting facilities
  - i. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 84th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
  - ii. The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
  - iii. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Instructions for members for voting are as under:-

- (i) The voting period begins on 19<sup>th</sup> August, 2019, Monday (9.00 A.M.) and ends on 21<sup>st</sup> August, 2019, Wednesday (5.00 P.M.). During this period shareholders of the Company, holding shares in Physical/Demat form, as on the cut-off date i.e. 16<sup>th</sup> August, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should logon to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a) For CDSL : 16 digits beneficiary ID
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given in points (vii) and (viii).

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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(vii) Fill up the following details in the appropriate boxes

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>■ Members who have not updated their PAN with the Company /Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. Sequence number has been provided as Sl. No. in the address label.</li> <li>■ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in the company records in order to login.</p> <p>If both the details are not recorded with the company please enter the Folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for A.V. Thomas & Company Ltd.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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(xviii) Additional instructions for non-individual shareholders and custodians

- a. Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and custodians voting for the first time are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as corporates. Corporates and custodians already registered with CDSL should use their existing login details.
- b. After registering online, scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c. The admin login details will be sent by CDSL. After receiving these details, create a compliance user. The compliance user would be able to link the account(s) for which they wish to vote on.
- d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e. A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the custodian/ authorized person, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### General instructions

- i) Mr. V. Suresh, Practising Company Secretary (C.P. No. 6032) has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- ii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 3 days of conclusion of the meeting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The resolutions will be deemed have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
- iii) The Results declared along with the report of the Scrutinizer shall be placed on the Company’s website [www.avthomas.com](http://www.avthomas.com) and on the website of CDSL immediately after the result is declared by the Chairman or a person authorised by him in writing who shall countersign the same.
- iv) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 16th August, 2019. A person who is not a Member as on the cut off-date should treat this Notice for information purposes only.

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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**The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to Special Business at the meeting, is annexed hereto and shall be taken as forming part of this Notice:**

**SPECIAL BUSINESS:**

**Item No.4**

At the 81st Annual General Meeting of the Company held on 24th August, 2016, Mr.Ajit Thomas was re-appointed as Whole-Time Director of the Company and designated as Executive Chairman for a period of three years from 1st February 2016.

The Board at their meeting held on 7th November, 2018, on the recommendations of the Nomination & Remuneration Committee had re-appointed Mr.Ajit Thomas as Whole-Time Director, with a designation of Executive Chairman for further period of three years from 1st February, 2019 to 31st January, 2022 on the same terms as stated in the resolution.

The remuneration payable to him would be within the overall limits of remuneration as prescribed under Section 197 read with Section I of Part II of Schedule V of the Companies Act, 2013.

Mr.Ajit Thomas is interested in resolution relating to his appointment and to the extent of managerial remuneration payable to him. Mr.Dilip Thomas, Director, is also interested in the resolution being related to Mr.Ajit Thomas. None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommend the resolution as set out in the Item No.4 of the Notice for approval of the shareholders.

**Item No.5 & 6**

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules there under as amended, the Company had appointed Mr.A.D. Bopana and Mr.P. Shankar as Independent Directors at its 79th AGM held on 4th September 2014 for a term of 5 years and their term ended on 31.03.2019.

As the above-named Independent Directors had completed their first term of appointment on 31.03.2019, they are eligible for re-appointment for another term of three consecutive years subject to approval of the Members by Special Resolution. All the above-named Independent Directors have consented to their re-appointment and confirmed that they are not disqualified from being appointed as an Independent Directors in terms of Section 164 of the Act. The Company has also received the declarations from the said Directors stating that they meet all the criteria of Independence, as prescribed under Section 149(6) of the Act.

Based on the performance evaluation of the Independent Directors, the Nomination & Remuneration Committee and the Board of Directors of the Company at their Meeting held on 15th February 2019 have recommended the re-appointment of the aforesaid persons as an Independent Directors for a second term of three consecutive years effective from 01.04.2019 to 31.03.2022. During their tenure of appointment, they shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

In the opinion of the Board, they fulfil the conditions for re-appointment as Independent Directors and they are independent of the Management.

Brief resume of above Independent Directors, nature of their expertise in specific function areas and names of companies in which they hold directorship and memberships / chairmanships of the Board Committees, are provided in the Annexure to this Notice, which is forming part of the Annual Report.

A copy of the draft letter for re-appointment of the Independent Directors setting out the terms and conditions of their re-appointment is available for inspection by the Members at the Registered Office of the Company between 11 A.M. to 1 P.M. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing General Meeting.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Directors are in any way deemed to be concerned or interested, financially or otherwise, in the Resolutions as set out in Item Nos. 5 and 6 of the Notice.

The Board recommends the Special Resolutions as set out in Item Nos.5 and 6 of the Notice for approval of the Members.

### **Item No.7**

In accordance with the provisions of Section 148 of the Companies Act,2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company at their meeting held on 10th June, 2019, have appointed M/s. Rajendran, Mani & Varier, Cost Auditors, Cochin, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020 on a remuneration of Rs.1,00,000/- (Rupees One Lakh Only) per annum & taxes applicable thereon and reimbursement of out of pocket expenses incurred.

Accordingly, consent of the members is sought for passing the Resolution as set out at Item No.7 for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Resolution as set out in Item No.7 of the Notice for approval of the shareholders.

Chennai  
10th June, 2019

By Order of the Board  
For A.V.THOMAS AND COMPANY LIMITED  
AJIT THOMAS  
Executive Chairman

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### PARTICULARS OF DIRECTORS SEEKING RE-APPOINTMENT AS REQUIRED TO BE FURNISHED UNDER CLAUSE 1.2.5 OF THE (SS-2) SECRETARIAL STANDARD ON GENERAL MEETINGS

#### For Agenda Item No.3

Particulars	<b>Mr.Habib Hussain</b>
Date of Birth	01-02-1953
DIN	00018665
Qualifications	BE (Electronics)
Expertise in specific functional areas	Has rich and vast experience in Business administration and International business
Date appointment on the Board	17.06.2016
Number of Board Meeting attended during the year 2018-19	3
Relationship with other Directors	Nil
Directorship held in other Companies (excluding foreign companies)	<p><b><u>Director</u></b>            AVT Natural Products Limited            Alina Private Limited            The Nelliampathy Tea &amp; Produce Co.Ltd            Aspera Logistics Pvt Ltd            A.V.Thomas Investments Co. Ltd            AVT Holdings Pvt. Ltd            Midland Corporate Advisory Service Pvt. Ltd            A.V. Thomas Exports Ltd            Leather Sector Skill Council            Consortium of Shoe and Products Manufacture Pvt. Ltd            Council for Leather Exports            National Skill Development Corporation            Indian Leather Industry Foundation</p>
Membership of Committees in other Companies	<p><b><u>Audit Committee - Chairman</u></b>            National Skill Development Corporation  <b><u>Audit Committee - Member</u></b>            AVT Natural Products Limited  <b><u>Stakeholders Relationship Committee - Member</u></b>            The Nelliampathy Tea &amp; Produce Co.Ltd            AVT Natural Products Limited  <b><u>CSR Committee - Member</u></b>            AVT Natural Products Limited  <b><u>NRC Committee - Member</u></b>            AVT Natural Products Limited</p>
Number of shares held in the Company	NIL

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### For Agenda Item No.4

Particulars	<b>Mr. Ajit Thomas</b>
Date of Birth	07-06-1954
DIN	00018691
Qualifications	B.Sc. (Statistics)
Expertise in specific functional areas	Vast experience in Plantations, Industry, Administrative matters, Finance and Business Management
Date of appointment in the Board	29.10.2009
Number of Board Meeting attended during the year 2018-19	3
Relationship with other Directors	Yes
Directorship held in other Companies (excluding foreign companies)	<p><b>Chairman</b>  Neelamalai Agro Industries Ltd.,  The Nelliampathy Tea &amp; Produce Company Limited  The Midland Rubber &amp; Produce Company Limited  Midland Latex Products Limited  Aspera Logistics Private Limitede  AVT McCormick Ingredients Private Limited  Midland Corporate Advisory Services Pvt. Ltd  AVT Holdings Private Limited  AVT Natural Products Limited</p> <p><b>Director</b>  AVT Gavia Foods Private Limited  A.V. Thomas Leather &amp; Allied Products Pvt. Ltd  A.V. Thomas Investments Company Limited  Madura Micro Finance Limited</p> <p><b>Independent Director</b>  Saksoft Limited</p> <p><b>Nominee Director</b>  Grover Zampa Vineyards Limited</p>
Membership of Committees in other Companies	<p><b>Audit Committee - Chairman</b>  Saksoft Limited</p> <p><b>Audit Committee - Member</b>  Neelamalai Agro Industries Ltd.,</p> <p><b>Stakeholders relationship committee - Chairman</b>  The Midland Rubber &amp; Produce Co. Ltd  Neelamalai Agro Industries Ltd.,  The Nelliampathy Tea &amp; Produce Company Limited  AVT Natural Products Limited</p> <p><b>Stakeholders relationship committee - Member</b>  Saksoft Limited</p> <p><b>NRC Committee - Member</b>  Neelamalai Agro Industries Ltd.,  Saksoft Limited</p> <p><b>CSR Committee - Chairman</b>  The Midland Rubber &amp; Produce Co. Ltd</p> <p><b>CSR Committee - Member</b>  Madura Micro Finance Limited  AVT Natural Products Limited</p>
Number of shares held in the Company	212612

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**A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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**For Agenda Item No.5**

Particulars	<b>Mr.A.D. Bopana</b>
Date of Birth	02-06-1941
DIN	00576066
Qualifications	Senior Cambridge
Expertise in specific functional areas	Has vast experience in Plantations, Administrative Matters, Finance and Business Management
Date of appointment in the Board	31.01.2013
Number of Board Meeting attended during the year 2018-19	3
Relationship with other Directors	Nil
Directorship held in other Companies (excluding foreign companies)	<b>Director</b> The Midland Rubber & Produce Co. Ltd Neelamalai Agro Industries Ltd., AVT Natural Products Limited A.V. Thomas Exports Limited
Membership of Committees in other Companies	<b>Audit Committee - Chairman</b> Neelamalai Agro Industries Ltd., <b>Audit Committee - Member</b> AVT Natural Products Limited <b>Stakeholders relationship committee - Member</b> The Midland Rubber & Produce Co. Ltd Neelamalai Agro Industries Ltd., AVT Natural Products Limited <b>NRC Committee - Chairman</b> Neelamalai Agro Industries Ltd., <b>CSR Committee - Member</b> The Midland Rubber & Produce Co. Ltd
Number of shares held in the Company	NIL

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**A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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**For Agenda Item No.6**

Particulars	<b>Mr.P. Shankar</b>
Date of Birth	20-06-1943
DIN	01638317
Qualifications	M.A. (Economics)
Expertise in specific functional areas	Retired as Central Vigilance Commissioner of India Served as Chief Secretary/ Secretary Govt. of Tamilnadu/ Govt. of India in various Ministries/Departments Has rich experience in the field of Industrial management and administration
Date of appointment	30.05.2013
Number of Board Meeting attended during the year 2018-19	3
Relationship with other Directors	Nil
Directorship held in other Companies (excluding foreign companies)	<b>Director</b> AVT Natural Products Limited
Membership of Committees in other Companies	<b>Audit Committee - Member</b> AVT Natural Products Limited <b>CSR Committee - Chairman</b> AVT Natural Products Limited <b>NRC Committee - Member</b> AVT Natural Products Limited
Number of shares held in the Company	NIL

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting the EIGHTY FOURTH ANNUAL REPORT with the audited accounts of the Company for the year ended 31st March, 2019.

	2018 - 19	(Rs.in lakhs) 2017 - 18
<b>FINANCIAL RESULTS:</b>		
Income from Operations and Other Income	85193.48	81696.36
Profit Before Depreciation and Interest	<u>4052.11</u>	<u>4083.11</u>
Less: Depreciation	282.60	293.71
Interest	149.77	83.56
	<u>432.37</u>	<u>377.27</u>
Profit Before Tax	3619.74	3705.84
Less: Provision for Tax ( Net of Deferred tax)	<u>1239.00</u>	<u>1361.00</u>
Profit After Tax	2380.74	2344.84
Add: Surplus brought forward	4491.38	3995.42
	<u>6872.12</u>	<u>6340.26</u>
which your Directors recommend to appropriate:-		
Transfer to General Reserve	1000.00	1000.00
Interim Dividend on Equity Shares @ Rs.75/- per share already paid	352.65	352.65
Tax on Interim Dividends	72.49	71.79
Final Dividend on Equity Shares paid for the earlier year (Rs.75/- per Equity Share)	352.65	352.65
Tax on Final Dividend for the earlier year	72.49	71.79
Balance carried forward	<u>5021.84</u>	<u>4491.38</u>
	<u>6872.12</u>	<u>6340.26</u>
Proposed Final Dividend for the current year (@ Rs.75/- per share)	*	
Tax on proposed final dividend for the current year	*	

\* Proposed dividend on equity shares and tax on dividend have not been recognised as a distribution of profit in the current year's accounts in accordance with the revised accounting standard - 4 'Contingencies and Events occurring after the Balance Sheet Date' (effective from 01.04.2016)

#### **DIVIDEND**

An Interim Dividend of Rs.75/- per equity share (750%) was paid during the financial year ended 31st March, 2019. The Board of Directors had recommended a final dividend of Rs.75/- per equity share (750%) for approval of the shareholders at the Annual General Meeting. The aggregate of the dividends, amounts to Rs.150/- per equity share (1500%) for the year ended 31st March, 2019.

#### **TRANSFER TO GENERAL RESERVE**

The Company has transferred a sum of Rs.10 crores to the General Reserve for the Financial Year 2018-19

#### **DEPOSIT FROM PUBLIC**

The Company has not accepted any deposits from the public during the year.

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There was no material changes and commitments, affecting the financial position of the Company between the end of the financial year of the Company and the date of the report other than those disclosed in the financial statements.

### **OPERATIONS**

#### **CONSUMER PRODUCTS DIVISION**

Consumer Products Division recorded a volume growth of 10% during the year 2018-19 despite difficult market conditions. In the Packed Tea Segment, AVT continuous to be a market leader in Kerala and has impressive market share in Tamilnadu. In Andhra Pradesh, Karnataka and Orissa, with the introduction of new distribution system, the Company has sustained the market share. The Company has also exported tea to Middle East countries and the responses has been positive. The Division expects to maintain this positive performance in the coming year also. The Cardamom Exports were seriously affected due to restrictions in Saudi Arabia.

#### **TRADING DIVISION**

The Sales Turnover of Trading Division were higher which is mainly on account of volume growth in sale of GI & GC sheets by 16%. The Pipe Profiling Factory at Perundurai, Tamil Nadu is expected to commence commercial production in the first quarter of 2019-20.

#### **LOGISTICS**

The volume under Logistics has been affected due to market conditions.

#### **DAIRY DIVISION**

The Dairy Division has shown good volume growth during the year and the Company has also introduced new products of Milk Shake during the year.

#### **SUBSIDIARY/ASSOCIATE COMPANIES**

As required under Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement in respect of its Joint venture (AVT Gavia Foods (P) Limited) and Associate Companies (AV Thomas Investments Company Limited) along with its own financial statements. Further, the particulars showing the salient features of the Subsidiary/Associate Companies as required under first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 are provided in Form AOC-1 which is attached as **Annexure I** to this report.

#### **PARTICULARS OF EMPLOYEES**

The statement containing remuneration paid to employees and other details as required under Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company during business hours on working days of the Company upto the date of the forth coming Annual General Meeting. Any member interested in obtaining a copy of the same may write to the Company and the same will be provided free of cost to the member.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Rules made there under Mr.Habib Hussain, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Directors recommend re-appointment of Mr.Habib Hussain at the ensuing Annual General Meeting (AGM).

Mr.Ajit Thomas, whose terms of office expired on 31st January 2019, has been re-appointed for a further period of three years with effect from 1st February 2019 to 31st January 2022, subject to the approval of shareholders.

With deep regret, the Board records the sad demise of our former Director Mrs. Lily Thomas on 30th March 2019. The Board wishes to place on record its appreciation of the valuable services rendered by her during her tenure as Director and Managing Director of the Company.

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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### **RE-APPOINTMENT OF INDEPENDENT DIRECTORS**

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Mr.A.D. Bopana and Mr.P. Shankar as Independent Directors at its 79th AGM held on 4th September 2014 for a term of 5 years and their term of office ended on 31.03.2019. The Board of Directors have re-appointed Mr.A.D. Bopana and Mr.P. Shankar as Independent Directors for a further term of three years to hold office from 1.4.2019 to 31.3.2022. Necessary resolutions for their re-appointment are included in the Notice calling the ensuing Annual General Meeting of the Company for the approval of the shareholders.

### **BOARD MEETINGS**

During the financial year 2018-19 the Board of Directors met three times. The dates on which the meetings were held are 12.07.2018, 07.11.2018 and 15.02.2019.

### **AUDIT COMMITTEE**

The Audit Committee consists of three members, all being Independent Directors namely Mr.P.Shankar, Mr.A.D.Bopana and Mr.F.S.Mohan Eddy.

### **NOMINATION AND REMUNERATION COMMITTEE/POLICY(NRC)**

The Nomination & Remuneration Committee consists of three members, namely Mr.P.Shankar, Mr. A.D.Bopana and Mr.Habib Hussain.

The Nomination and Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company is uploaded in the website of the Company and the website link is <http://www.avthomas.com/nrcpolicy.pdf>.

### **SHARE TRANSFER COMMITTEE**

The Board has constituted a Share Transfer Committee comprising of Mr.Ajit Thomas, Mr.P.Shankar and Mr.Habib Hussain as Members of the Committee

### **INDEPENDENT DIRECTORS' DECLARATION**

Mr.P Shankar, Mr.A D Bopana and Mr.F.S.Mohan Eddy who are Independent Directors, have submitted declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

### **AUDITORS**

Pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, the members in their 82nd Annual General Meeting (AGM) held on 30th August, 2017 had re-appointed M/s. Suri & Co, Chartered Accountants (Firm Registration No.004283S), the Statutory Auditors of the Company for a period of 5 years till the conclusion of the 87th Annual General Meeting. In view of the amendments to the Companies Act, 2013, their appointment need not required to be ratified by the Members in the forthcoming Annual General Meeting.

### **AUDITORS REPORT**

There are no qualifications, reservations or adverse remarks in the Auditors Report.

### **COST AUDITORS**

As required under the Companies (Cost Records and Audit) Rules 2014, the Company filed the Cost Audit Report for the financial year 2017-18 in XBRL format.

In Compliance with the provisions of Section 148 of the Companies Act, 2013, the Board of Directors on the recommendation of the Audit Committee re-appointed M/s. Rajendran, Mani & Varier, Cost Accountants, Cochin to conduct the Cost Audit for the financial year 2019-20. In terms of the provision of Section 148(3) of the Companies Act, 2013 read with rule 14(a) (ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors has to be ratified by the members. Accordingly, necessary resolution is proposed at the ensuing Annual General Meeting for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2019-20.

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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### **SECRETARIAL AUDIT**

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Mr. V Suresh, Practising Company Secretary, Chennai, to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2019. The Secretarial Audit Report in Form MR-3 is attached as **Annexure - II** to this Report.

There are no qualifications, reservations or adverse remarks in the Secretarial Auditors Report for the period under review.

The relevant Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) relating to the Board and General Meetings have been complied with by the Company.

### **INTERNAL AUDIT & CONTROLS**

The Company has appropriate and adequate internal control system commensurate with the size and nature of its business. The Company has an In-house Internal Audit Department as well as appointed M/s. PKF Sridhar & Santhanam as the Internal Auditors of the Company to conduct internal audit function of the Company. The Internal Audit coverage is adequate to ensure that the assets of the company are safeguarded and protected and there is regular review by Management on policies, internal controls and procedures and also internal audit reports.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### **TRANSACTIONS WITH RELATED PARTIES**

All transactions entered by the Company with Related Parties were in the Ordinary course of business and at Arm's Length pricing basis. Details of the transaction are provided in Form AOC-2 which is attached as **Annexure - III** to this report.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There were no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

### **EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 (the "Act") is enclosed as **Annexure- IV** in the prescribed form MGT-9 and forms part of this Report.

### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The company has no activities relating to conservation of energy and technology absorption on account of the nature of its business.

### **FOREIGN EXCHANGE EARNINGS/OUTGO**

The Company's earnings in foreign exchange on FOB value of Exports during the year amounted to Rs.1900.05 lakhs compared to Rs.6771.11 lakhs during the previous year. The foreign exchange outgo during the year was Rs.264.68 lakhs against Rs.462.84 lakhs in previous year.

### **RISK MANAGEMENT POLICY**

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. The Risk Management Policy has been provided in the **Annexure - V** to this Report.

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE / POLICY (CSRC)**

The CSR Committee consists of three members namely, Mr. Ajit Thomas, Mr. Dilip Thomas and Mr. P. Shankar. The CSR

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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Policy of the Company and the details about the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been disclosed in **Annexure - VI** to this Report.

### **EXIT OFFER TO THE PUBLIC SHAREHOLDERS**

Pursuant to the Exit Offer provided by the Promoters to the public shareholders of the company pursuant to SEBI circular No. SEBI/HO/MRD/DSA/ CIR/P/2016/110 dated October 10, 2016, the name of the Company was removed from the Dissemination Board of The National Stock Exchange of India Ltd. with effect from 25th October, 2017. The company had provided Exit Offer option shareholders during the period 30th March, 2017 to 14th October, 2018. The public shareholders of the Company had tendered 23,492 Equity shares.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. they have 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 at the end of the financial year and of the profit of the Company for the financial year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual financial statements on a going concern basis;
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to Section 124 of the Companies Act, 2013 and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (' the Rules') as amended from time to time, all unpaid or unclaimed dividends, after the completion of seven years, are required to be transferred by the Company to the IEPF established by the Central Government. Further according to the Rules, the shares in respect of which dividend has not been paid or unclaimed by the shareholders for seven consecutive years or more shall also to be transferred to the demat account created by the IEPF Authority. However, there is no such instance for the Company to transfer any shares to the IEPF Authority during the Financial Year 2018-19.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Act and that an Internal Complaints Committee has been set up for redressal of complaints and that all employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year the Company has not received any complaint under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

### **ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for the continued support extended to the Company by its Bankers and Employees during the year.

Chennai  
10th June, 2019

By Order of the Board  
AJIT THOMAS  
Executive Chairman

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

ANNEXURE - I

### Form AOC-1

#### Part "B": Associates and Joint Ventures

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

Sl. No.	Name of Associates	AVT Gavia Foods Private Limited	A.V. Thomas Investments Company Limited
1	Latest audited Balance Sheet Date	31.03.2019	31.03.2019
2	Shares of Associate/Joint Ventures held by the company on the year end Number	1,20,00,000	1,19,480
	Amount of Investment in Associates/ Joint Venture (Rs.)	12,00,48,413	11,94,800
	Extent of Holding%	50.00%	48.77%
3	Description of how there is significant influence	More than 20% of the Total Share Capital of the Associate Concern is held by A V Thomas & Company Limited	More than 20% of the Total Share Capital of the Associate Concern is held by A V Thomas & Company Limited
4	Reason why the associate/joint venture is not consolidated	The accounts of Associates have been consolidated.	The accounts of Associates have been consolidated.
5	Net worth attributable to shareholding as per latest audited Balance Sheet (Rs.)	2,72,10,962	84,17,930
6	Profit/Loss for the year (Rs.) i) Considered in Consolidation ii) Not Considered in Consolidation	(31,89,206)	2,73,618
7	Total Net Worth (Rs.)	5,44,21,924	1,72,60,468

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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ANNEXURE - II

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
For the Financial Year 2018-19**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
M/s. A V THOMAS AND CO LTD

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. A V THOMAS AND CO LTD (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. A V THOMAS AND CO LTD'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31<sup>st</sup> March 2019, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. A V THOMAS AND CO LTD ("the Company") for the financial year ended on 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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. (NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD)
- (v) 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)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (NOT APPLICABLE)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (NOT APPLICABLE)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD)

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (NOT APPLICABLE)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (NOT APPLICABLE)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (NOT APPLICABLE)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (NOT APPLICABLE)

Other Laws specifically applicable to this Company is as follows:

- (vi) Food Safety and Standards Act, 2006
- (vii) Tea Act, 1953
- (viii) Tea (Marketing) Control Order 2003.
- (ix) Spices Board (Registration of Exporters) Regulations, 1989
- (x) The Legal Metrology Act, 2009

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company(Not Applicable)

I further report that the Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

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

I 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.

I further report that during the audit report;

Pursuant to the circular issued by the Securities and Exchange Board of India ("SEBI") bearing No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 ("SEBI Circular"), the Promoters of the Company made an Open Offer to acquire shares of the Public Shareholders of the Company to provide them an exit opportunity. The period of said offer closed on 14th October, 2018.

Place: Chennai  
Date : 07.06.2019

V Suresh  
Practising Company Secretary  
FCS No. 2969  
C.P.No. 6032

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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ANNEXURE - III

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 transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2018-19.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: (Details given in Annexure IIIA)

For and on behalf of the Board of Directors

Chennai  
10th June, 2019

AJIT THOMAS  
Executive Chairman

## Annexure IIIA

## AOC 2

Name of the Related Party	Nature of Relationship	Nature of Transaction	Duration of Transactions	Amount (Rs.)	Salient Terms	Date of Approval by the Board	Amount paid as Advance if any
A.V.Thomas International Ltd.	Common Control through constitution of Board/Share holding	Rent Received Commission Paid	On going transactions On going transactions	9000 38,99,973	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
L.J.International Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing Rent received Service Charges	On going transactions On going transactions On going transactions	2177450 24000 60000	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil Nil Nil
A.V.Thomas Investments Co.Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	24000	Market Rate	Not Applicable	Nil
The Midland Rubber & Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Purchase of Tea Purchase of Cardamom Income from C&F & Warehousing Sale of Aluminium sheets	On going transactions On going transactions On going transactions On going transactions	187585262 2887500 332087 284155	Market Rate Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable Not Applicable	Nil Nil Nil Nil
The Nelliampathy Tea & Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Purchase of Tea Income from C&F & Warehousing Sale of Aluminium sheets	On going transactions On going transactions On going transactions	169183291 195630 134186	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil Nil Nil
Neelamalai Agro Industries Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing Purchase of Tea	On going transactions On going transactions	163310 90524	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
AVT Natural Products Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing Purchase of Premix Tea Income from Sales of Tea	On going transactions On going transactions On going transactions	12905488 3582600 12184090	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil Nil Nil
AVT McCormick Ingredients Private Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing	On going transactions	12934004	Market Rate	Not Applicable	Nil
The Highland Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Purchase of Tea Income from C&F & Warehousing Rent Received Rent Paid	On going transactions On going transactions On going transactions On going transactions	473701241 712162 12000 1652000	Market Rate Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable Not Applicable	Nil Nil Nil Nil

## Annexure IIIA

## AOC 2

Name of the Related Party	Nature of Relationship	Nature of Transaction	Duration of Transactions	Amount (Rs.)	Salient Terms	Date of Approval by the Board	Amount paid as Advance if any
The Rajagiri Rubber & Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Purchase of Tea Income from C&F & Warehousing Rent Received	On going transactions On going transactions On going transactions	82154 417690 12000	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil Nil Nil
Dalp Trading and Manufacturing Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	6000.00	Market Rate	Not Applicable	Nil
A.V.Thomas Leather & Allied Products Private Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing	On going transactions	18621192	Market Rate	Not Applicable	Nil
Midland Corporate Advisory Services Private Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	10176	Market Rate	Not Applicable	Nil
AVT Holdings Private Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	10176 77127	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
Aspera Logistics Private Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing	On going transactions	22176	Market Rate	Not Applicable	Nil
Provision Value Gard Private Ltd.	Common Control through constitution of Board/Share holding	Rent Received Commission/C&F Paid	On going transactions On going transactions	6734583	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
Alina Private Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	10176	Market Rate	Not Applicable	Nil
AVT Gavia Foods Private Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing	On going transactions	10368186	Market Rate	Not Applicable	Nil
		Income from C&F & Warehousing	On going transactions	338160	Market Rate	Not Applicable	Nil

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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ANNEXURE - IV

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31st March, 2019**

[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	-	U51109KL1935PLC000024
ii) Registration Date	-	21/01/1935
iii) Name of the Company	-	A V THOMAS AND COMPANY LIMITED
iv) Category / Sub-Category of the Company	-	Company Limited by Shares
v) Address of the Registered office and contact details	-	W 21/674, BEACH ROAD, ALLEPPEY, KERALA - 688012
vi) Whether listed company	-	NO
vii) Name, Address and Contact details of Registrar and Transfer Agent:	-	Cameo Corporate Services Limited Subramanian Building, No.1 Club House Road, Chennai – 600 002.

**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:-

Sl. No.	Name and Description of main Products/Services	NIC Code of the product/Service	% to total turnover of the company
1	Packed Tea	10791	64%
2	Aluminium Sheets	24202	10%
3	GI Sheets	24109	19%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
1	AVT Gavia Foods Private Limited, No.60, Rukmani Lakshmi pathy Salai, Egmore, Chennai-600008.	U15499TN2008PTC065914	Associate	50.00%	2(6)
2	A V Thomas Investments Company Limited No.60, Rukmani Lakshmi pathy Salai, Egmore, Chennai-600008.	U67120TN1976PLC007167	Associate	48.77%	2(6)

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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

#### (i) Category - wise Share Holding

Category of shareholders	No. of Shares Held at the Beginning of the Year - 01.04.2018				No. of Shares Held at the end of the Year - 31.03.2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	362840	0	362840	77.167	370626	6	370632	78.824	1.657
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	858	5500	6358	1.352	12880	5500	18380	3.909	2.557
e) Banks/Fl	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>363698</b>	<b>5500</b>	<b>369198</b>	<b>78.519</b>	<b>383506</b>	<b>5506</b>	<b>389012</b>	<b>82.733</b>	<b>4.214</b>
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/Fl	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of promoter(A) = (A)(1) + (A)(2)</b>	<b>363698</b>	<b>5500</b>	<b>369198</b>	<b>78.519</b>	<b>383506</b>	<b>5506</b>	<b>389012</b>	<b>82.733</b>	<b>4.214</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/Fl	0	3500	3500	0.744	0	3500	3500	0.744	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
i) Any others-Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
<b>Sub Total (B)(1)</b>	<b>0</b>	<b>3500</b>	<b>3500</b>	<b>0.744</b>	<b>0</b>	<b>3500</b>	<b>3500</b>	<b>0.744</b>	<b>0</b>

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Category of shareholders	No. of Shares Held at the Beginning of the Year - 01.04.2018				No. of Shares Held at the end of the Year - 31.03.2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corp									
i) Indian	11058	5070	16128	3.430	2322	4500	6822	1.450	-1.980
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.1 Lakh	23081	49672	72753	15.473	31713	33264	64977	13.819	-1.654
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)									
Hindu Undivided Family	651	0	651	0.138	0	0	0	0	-0.138
Escrow A/c - Exit Offer	3235	0	3235	0.688	0	0	0	0	-0.688
IEPF	4515	0	4515	0.960	4515	0	4515	0.960	0
Non Resident Indians	220	0	220	0.046	720	0	720	0.153	0.107
Resident HUF	0	0	0	0	654	0	654	0.139	0.139
<b>Sub- Total (B)(2)</b>	<b>42760</b>	<b>54742</b>	<b>97502</b>	<b>20.736</b>	<b>39924</b>	<b>37764</b>	<b>77688</b>	<b>16.522</b>	<b>-4.214</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>42760</b>	<b>58242</b>	<b>101002</b>	<b>21.481</b>	<b>39924</b>	<b>41264</b>	<b>81188</b>	<b>17.266</b>	<b>-4.214</b>
<b>TOTAL (A) + (B)</b>	<b>406458</b>	<b>63742</b>	<b>470200</b>	<b>100</b>	<b>423430</b>	<b>46770</b>	<b>470200</b>	<b>100</b>	<b>0</b>
C) Shares held by Custodian for GDRs and ADRs	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>406458</b>	<b>63742</b>	<b>470200</b>	<b>100</b>	<b>423430</b>	<b>46770</b>	<b>470200</b>	<b>100</b>	<b>0</b>

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### ii) Shareholding of Promoters

S. No.	Shareholders Name	Shareholding at the beginning of the year - 01.04.2018			Shareholding at the end of the year - 31.03.2019			% change 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. Ajit Thomas	208566	44.36	0	212612	45.22	0	0.85
2.	Mr. Dilip Thomas	153274	32.60	0	157020	33.39	0	0.79
3.	M/s. The Highland Produce Co. Ltd.	3500	0.74	0	3500	0.74	0	-
4.	M/s. The Rajagiri Rubber and Produce Co. Ltd	2000	0.43	0	2000	0.43	0	-
5.	AVT Holdings Private Ltd	0	0	0	12880	2.73	0	2.73
6.	Mrs. Priyalatha Thomas	500	0.11	0	500	0.11	0	-
7.	Mr. Ashwin Thomas	500	0.11	0	500	0.11	0	-
8.	M/s. The Midland Rubber and Produce Company Ltd.	658	0.14	0	0	0	0	-0.14
9.	M/s. Neelamalai Agro Industries Ltd.	100	0.02	0	0	0	0	-0.02
10.	M/s. A V Thomas Leather and Allied Products Pvt. Ltd.	100	0.02	0	0	0	0	-0.02

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

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Ajit Thomas				
	At the beginning of the year 01-Apr-2018	208566	44.36	208566	44.36
	Purchase on 12-Oct-2018	3743	0.80	212309	45.16
	Purchase on 29-Mar-2019	300	0.06	212609	45.22
	At the end of the Year 31-Mar-2019	212609	45.22	212609	45.22
2.	Mr. Ajit Thomas				
	At the beginning of the year 01-Apr-2018	0	0	0	0
	Purchase on 28-Dec-2018	3	0.0006	3	0.0006
	At the end of the Year 31-Mar-2019	3	0.0006	3	0.0006
3.	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2018	153274	32.60	153274	32.60
	Purchase on 12-Oct-2018	3743	0.80	157017	33.40
	At the end of the year 31-Mar-2019	157017	33.40	157017	33.40

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2018	0	0	0	0
	Purchase on 28-Dec-2018	3	0.0006	3	0.0006
	At the end of the year 31-Mar-2019	3	0.0006	3	0.0006
5.	M/s. AVT Holdings Private Limited				
	At the beginning of the year 01-Apr-2018	0	0	0	0
	Purchase on 17-Aug-2018	8835	1.88	8835	1.88
	Purchase on 21-Dec-2018	1500	0.32	10335	2.20
	Purchase on 01-Feb-2019	2545	0.54	12880	2.74
	At the end of the year 31-Mar-2019	12880	2.74	12880	2.74
6.	M/s. The Highland Produce Co. Ltd.				
	At the beginning of the year 01-Apr-2018	3500	0.74	3500	0.74
	At the end of the year 31-Mar-2019	3500	0.74	3500	0.74
7.	M/s. The Rajagiri Rubber and Produce Co. Ltd.				
	At the beginning of the year 01-Apr-2018	2000	0.43	2000	0.43
	At the end of the year 31-Mar-2019	2000	0.43	2000	0.43
8.	Mrs. Priyalatha Thomas				
	At the beginning of the year 01-Apr-2018	500	0.11	500	0.11
	At the end of the year 31-Mar-2019	500	0.11	500	0.11
9.	Mr. Ashwin Thomas				
	At the beginning of the year 01-Apr-2018	500	0.11	500	0.11
	At the end of the year 31-Mar-2019	500	0.11	500	0.11
10.	The Midland Rubber and Produce Company Limited				
	At the beginning of the year 01-Apr-2018	658	0.14	658	0.14
	Purchase on 15-June-2018	6185	1.31	6843	1.45
	Purchase on 30-Jun-2018	650	0.14	7493	1.59
	Purchase on 28-September-2018	93	0.02	7586	1.61
	Sale on 12-Oct-2018	-7486	1.59	100	0.02
	Sale on 29-March-2019	-100	0.02	NIL	NIL
	At the end of the year 31-Mar-2019	NIL	NIL	NIL	NIL
11.	Neelamalai Agro Industries Ltd				
	At the beginning of the year 01-Apr-2018	100	0.02	100	0.02
	sale on 29-March-2019	-100	0.02	NIL	NIL
	At the end of the year 31-Mar-2019	NIL	NIL	NIL	NIL
12.	A V Thomas Leather and Allied Products Pvt Ltd.				
	At the beginning of the year 01-Apr-2018	100	0.02	100	0.02
	Sale on 29-March-2019	-100	0.02	NIL	NIL
	At the end of the year 31-Mar-2019	NIL	NIL	NIL	NIL

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### (iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year - 01.04.2018		Cumulative Shareholding during the year - 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sheila Sebastian JT1:Thomas Victor				
	At the beginning of the year 01-Apr-2018	5938	1.26	5938	1.26
	At the end of the Year 31-Mar-2019	5938	1.26	5938	1.26
2	Pamela Mohan				
	At the beginning of the year 01-Apr-2018	5937	1.26	5937	1.26
	At the end of the Year 31-Mar-2019	5937	1.26	5937	1.26
3	Investor Education and Protection Fund Authority Ministry of Corporate Affairs				
	At the beginning of the year 01-Apr-2018	4515	0.96	4515	0.96
	At the end of the year 31-Mar-2019	4515	0.96	4515	0.96
4	Pauly Investments (P) Ltd				
	At the beginning of the year 01-Apr-2018	4500	0.96	4500	0.96
	At the end of the Year 31-Mar-2019	4500	0.96	4500	0.96
5	Central Bank of India				
	At the beginning of the year 01-Apr-2018	3500	0.74	3500	0.74
	At the end of the Year 31-Mar-2019	3500	0.74	3500	0.74
6	Meenakshi Meyyappan JT1: Mr.M.Meyyappan				
	At the beginning of the year 01-Apr-2018	2300	0.49	2300	0.49
	At the end of the Year 31-Mar-2019	2300	0.49	2300	0.49
7	Alyamma George				
	At the beginning of the year 01-Apr-2018	2000	0.43	2000	0.43
	At the end of the Year 31-Mar-2019	2000	0.43	2000	0.43
8	Cyrus Sorabji Jokhi JT1: Mrs.Bakhtawar Marezbhan Canteenwalla				
	At the beginning of the year 01-Apr-2018	2000	0.43	2000	0.43
	At the end of the Year 31-Mar-2019	2000	0.43	2000	0.43
9	Zibi Jose PP				
	At the beginning of the year 01-Apr-2018	2000	0.43	2000	0.43
	At the end of the Year 31-Mar-2019	2000	0.43	2000	0.43
10	Gnanadoss D.A.S JT1.Grace Gnanadoss				
	At the beginning of the year 01-Apr-2018	1750	0.37	1750	0.37
	At the end of the Year 31-Mar-2019	1750	0.37	1750	0.37

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Share holder	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	Mr. Ajit Thomas				
	At the beginning of the year 01-Apr-2018	208566	44.36	208566	44.36
	Purchase on 12-Oct-2018	3743	0.80	212309	45.16
	Purchase on 29-Mar-2019	300	0.06	212609	45.22
	At the end of the year 31-Mar-2019	212609	45.22	212609	45.22
2	Mr. Ajit Thomas				
	At the beginning of the year 01-Apr-2018	0	0	0	0
	Purchase on 28-Dec-2018	3	0.0006	3	0.0006
	At the end of the year 31-Mar-2019	3	0.0006	3	0.0006
3	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2018	153274	32.59	153274	32.59
	Purchase on 12- Oct-2018	3743	0.80	157017	33.40
	At the end of the year 31-Mar-2019	157017	33.40	157017	33.40
4	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2018	0	0	0	0
	Purchase on 28- Dec-2018	3	0.0006	3	0.0006
	At the end of the year 31-Mar-2019	3	0.0006	3	0.0006
	<b>Key Managerial Personnel</b>				
1	Mr.R Venugopalan, Chief Financial Officer				
	At the beginning of the year 01-Apr-2018	70	0.01	70	0.01
	At the end of the Year 31-Mar-2019	70	0.01	70	0.01

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total(i + ii + iii)</b>	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the financial year</b>				
Addition	7,50,00,000	Nil	Nil	Nil
Reduction				
<b>Net Change Indebtedness</b>	7,50,00,000	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>	<b>7,50,00,000</b>	Nil	Nil	Nil
i) Principal Amount	7,50,00,000	Nil	Nil	Nil
ii) Interest due but not paid	1,61,390	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total(i + ii + iii)</b>	7,51,61,390	Nil	Nil	Nil

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Ajit Thomas (Executive Chairman)	Mr. Dilip Thomas (Executive Vice Chairman)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	69.70	62.73	132.43
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	9.00	8.10	17.10
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	-	-	-
	others specify	-	-	-
5	Others please specify	-	-	-
	Total (A)	78.70	70.83	149.53
	Ceiling as per the Act			390.48

#### B. Remuneration to other Directors :

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Fee for attending board/committee meetings	Commission	Others Please specify	Total Amount
<b>1.</b>	<b>Independent Directors</b>				
	Mr. P Shankar	2.4	-	-	2.4
	Mr. A D Bopana	2.3	-	-	2.3
	Mr. F.S.Mohan Eddy	2.1	-	-	2.1
	Total (1)	6.8	-	-	6.8
<b>2.</b>	<b>Other Non-Executive Directors</b>				
	Mr. Habib Hussain	1.4	-	-	1.4
	Mrs. Kavitha Vijay	0.8	-	-	0.8
	Total (2)	2.2	-	-	2.2
	<b>Total (1 + 2)</b>	<b>9.0</b>	<b>-</b>	<b>-</b>	<b>9.0</b>
	<b>Total Managerial Remuneration</b>	<b>9.0</b>			<b>9.0</b>
	Overall Ceiling as per the Act		N.A		

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total
		Mr. R Venugopalan, CFO	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	67.60	67.60
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	22.80	22.80
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify		
5	Others, please specify	-	-
	Total	90.40	90.40

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2019.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### ANNEXURE - V

#### RISK MANAGEMENT POLICY

Regarding the general risk, the company follows a minimal risk business strategy as given below.

Particulars	Risk Minimizing steps
Fixed Assets and Current Assets	The company has taken adequate insurance coverage of its fixed assets and current assets which will minimize the impact of another event or development
Financial Risk	The company has a conservative debt policy. The debt component is very marginal
Commodity Risk	Whenever the company deals in commodity trading or exports, the selling and buying is concluded on back to back basis so that risk on commodity is minimized
Foreign Exchange Risk	Whenever there is an export, the Foreign Exchange is covered at the time of confirmation of order so as to negate any fluctuation in the exchange ratio
Credit Risk on Exports	All the exports are done either by advance payment or through irrevocable LC from the prime bank. In other case, where goods are sent on DP basis, the credit is insured through ECGC.

### ANNEXURE - VI

#### CORPORATE SOCIAL RESPONSIBILITY

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

AVT's Corporate Social Responsibility ("CSR") is enunciated. CSR projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and environmental replenishment. These initiatives are independent of the normal conduct of AVT's business. Programmes, projects and activities (collectively "CSR Programmes") carried out in this regard are the subject matter of this Policy. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013.

#### **Composition of CSR Committee**

Mr. Ajit Thomas, Executive Chairman as Chairman  
Mr. Dilip Thomas, Executive Vice Chairman as Member  
Mr. P Shankar, Independent Director as Member

#### **Average net profits and prescribed CSR expenditure**

The average net profits and prescribed CSR expenditure is as detailed below:

Particulars	(Rs. lakhs)
Average net profits for last three financial years	3879.16
Prescribed CSR expenditure	77.58
Amount unspent	0.08

#### **Weblink to the CSR Policy:**

<http://www.avthomas.com/csrapolicy.pdf>

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**A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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**Manner in which the amount spent during the financial year is detailed:**

S. No.	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs : (1) Local area or other (2) Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure up to the reporting period	Amount Direct or through implementing agency
1.	Caretaking of abandoned senior citizens by providing them with food, shelter, clothing, medical attention and other facilities)	Promoting Healthcare and social development	Chennai	Rs 1.50 lakhs	Rs 1.50 lakhs	Rs 1.50 lakhs	Direct
2.	Providing home based care for people with serious life-limiting illness in urban & under-served areas	Promoting Health Care	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Through Implementing agency
3.	Engaged in Healthcare, Education, Child rights and welfare community Development	Promoting Health Care and Education	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs. 5.00 lakhs	Through Implementing agency
4.	Engaged in Healthcare, including preventive healthcare and sanitation	Providing Health Care	Chennai	Rs. 5.00 lakhs	Rs. 5.00 lakhs	Rs. 5.00 lakhs	Through Implementing agency

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**A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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S. No.	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs : (1) Local area or other (2) Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure up to the reporting period	Amount Direct or through implementing agency
5.	Promoting Health Care Promoting education, including child rights and welfare community Development	Promoting Health Care, Promoting education	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Through Implementing agency
6.	Education & Life Skill training Supports retiring artists in the field of Music, Dance & Performing arts of young girls	Promoting Arts & Science	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Direct
7.	Holistic rehabilitation of burn victims from poor families with a focus on women and children	Promoting Health Care, Empowering women and measures for reducing inequalities faced by socially and economically backward groups.	Bangalore	Rs 10.00 lakhs	Rs 10.00 lakhs	Rs 10.00 lakhs	Through Implementing agency

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**A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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S. No.	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs : (1) Local area or other (2) Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure up to the reporting period	Amount Direct or through implementing agency
8.	Providing homes for HIV Positives orphans children services to the poor, needy and the general public irrespective of caste, sex and religion in India	Promoting Health Care and Empowering women	Chennai	Rs 3.00 lakhs	Rs 3.00 lakhs	Rs 3.00 lakhs	Through Implementing agency
9.	Caretaking of abandoned senior citizens by providing them with food, shelter, clothing, medical attention and other facilities	Promoting Health Care and social development	Chennai	Rs 3.00 lakhs	Rs 3.00 lakhs	Rs 3.00 lakhs	Direct
10.	Rehabilitation, Care and Support of People Living with HIV/AIDS, especially Children and Women and also promoting their rights and addressing their holistic empowerment	Promoting Health Care, and Empowering women	Kolkata	Rs 15.00 lakhs	Rs 15.00 lakhs	Rs 15.00 lakhs	Through Implementing agency

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

S. No.	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs : (1) Local area or other (2) Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure up to the reporting period	Amount Direct or through implementing agency
11.	Renovation of School Building	Promoting education, including special education and employment enhancing vocational skills among children	Tirunelveli	Rs 10.00 lakhs	Rs 10.00 lakhs	Rs 10.00 lakhs	Direct
12.	Engaged in protection and care for animals, creating awareness of compassion humanity and environmental welfare	Providing protection to animals and environmental welfare	Kodaikanal	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Direct
13.	Providing home for aged destitute men and women, to rehabilitate widows and deserted women, to provide quality education to rural poor children, to open a clinical lab for the financial weak, to provide vocational training to school dropouts and to launch intensive social awareness and other locations	Promoting Women empowerment and social development	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Direct
	<b>Total CSR Spent</b>			<b>Rs 77.50 lakhs</b>	<b>Rs 77.50 lakhs</b>		

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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### **Reasons for not spending the amount earmarked for CSR Activities**

The Company has spent Rs.77.50 lakhs towards CSR Activities as against Rs.77.58 lakhs required to be spent for the Financial Year 2018-19.

### **Responsibility Statement**

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules (Corporate Social Responsibility Policy) Rules, 2014, Mr. Ajit Thomas, Executive Chairman (Chairman of the Committee) and Mr. Dilip Thomas, Executive Vice Chairman (Member of the Committee), do confirm that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the Company.

Dilip Thomas  
Executive Vice Chairman (Member)

Ajit Thomas  
Chairman (CSR Committee)

Chennai  
10th June, 2019

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### INDEPENDENT AUDITOR'S REPORT

To

The Members of  
A V THOMAS & COMPANY LIMITED, ALAPPUZHA

#### **Report on the Standalone Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of A V Thomas & Company Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2019, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the *Code of Ethics*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

#### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the management report, its annexures, Board's Report including annexures, Director's Responsibility statement, but does not include the standalone Financial Statements and our Audit Report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If we conclude that there is a material misstatement of this other information, based on the work we have performed, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### 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 an Annexure A, a Statement on matters specified in paragraph 3 and 4 of the said order, to the extent applicable

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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer our separate report in Annexure B;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending disclosed litigations which would impact its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2019.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

FOR SURI & CO.  
Chartered Accountants  
Firm's Regn.No: 004283S

G Rengarajan  
Partner  
Membership No. 219922

Place: Chennai  
Date : 10th June, 2019

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### ANNEXURE A TO THE REPORT OF THE AUDITORS TO THE MEMBERS OF A.V. THOMAS & COMPANY LIMITED, ALAPPUZHA

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) Physical verification of major items of these assets has been conducted by the Management during the financial year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the company.
- ii) The Physical verification of inventory has been conducted at reasonable intervals by the management and we were informed that no material discrepancies were noticed.
- iii) The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly Para 3 (iii) (a), (b) & (c) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made and no guarantees has been given.
- v) The company has not accepted any deposits from the public during the year.
- vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government for the maintenance of cost records under section 148 (1) (d) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However we have not carried out any detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, GST and other statutory dues applicable to it. No undisputed statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

b) The details of disputed statutory dues which have not been deposited are as under :

Name of the Statute	Nature of the dues	Amount ( ₹ )	Forum where dispute is pending
Kerala General Sales tax Act	KGST Demand (1996-97, 97-98, 2000-01 & 2001-02) Assessments	2,17,469	Giving effect to Deputy Commissioner (Appeals) Kollam order pending
Central Sales Tax Act	CST Demand 1988-89, 1990-91 1993-94 to 1995-96 2001-02 to 2004-05	4,80,753	Deputy Commissioner of Commercial Taxes, Alappuzha
Odisha Value Added Tax Act	Entry Tax Demand AY 2009-10 to 2012-13	35,71,550	Joint Commissioner of Commercial Taxes, Berhampur.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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- viii) The company has not defaulted in repayment of dues to banks.
- ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The Company has applied the term loans for the purposes for which the same was raised.
- x) According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii) The Company is not a Nidhi Company. Accordingly Para 3 (xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR SURI & CO.  
Chartered Accountants  
Firm's Regn.No: 004283S

G Rengarajan  
Partner  
Membership No. 219922

Place: Chennai  
Date : 10th June, 2019

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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### **ANNEXURE B TO THE REPORT OF THE AUDITORS TO THE MEMBERS OF A.V. THOMAS & COMPANY LIMITED, ALAPPUZHA**

#### **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 A V THOMAS & COMPANY LIMITED (‘the Company’) as of 31-March-2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). 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 based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 control 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 dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### **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 controls over financial reporting to future periods are subject to the risk that 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 31-Mar-2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR SURI & CO.  
Chartered Accountants  
Firm's Regn.No: 004283S

G Rengarajan  
Partner  
Membership No. 219922

Place: Chennai  
Date : 10th June, 2019

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	NOTE NO.	Amount in ₹	
		31.03.2019	31.03.2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	47,02,000	47,02,000
(b) Reserves and Surplus	3	<u>212,16,63,633</u>	<u>196,86,17,415</u>
		<u>212,63,65,633</u>	<u>197,33,19,415</u>
<b>(2) Non-Current Liabilities</b>			
Long Term Borrowings	4	7,50,00,000	Nil
Long Term Provisions		2,04,49,881	2,07,18,296
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	5	Nil	Nil
(b) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises and		23,13,455	44,38,318
Total outstanding dues of creditors other than micro enterprises and small enterprises		45,29,67,646	48,59,15,075
(c) Other current liabilities		4,53,12,148	4,66,16,415
(d) Short-term provisions		16,40,66,216	17,16,01,253
		<u>66,46,59,465</u>	<u>70,85,71,061</u>
<b>TOTAL</b>		<u><b>288,64,74,979</b></u>	<u><b>270,26,08,772</b></u>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant & Equipment			
(i) Tangible assets	6	24,93,00,306	25,74,80,331
(ii) Capital work-in-progress	39	11,50,94,868	1,19,19,916
(b) Non-current investments	7	72,16,27,950	56,79,26,523
(c) Deferred Tax Asset	8	2,23,00,000	1,97,00,000
<b>(2) Current Assets</b>			
(a) Current Investments	9	28,60,563	19,37,12,286
(b) Inventories	10	107,71,02,641	90,27,45,012
(c) Trade receivables	11	35,28,56,915	38,51,38,117
(d) Cash and cash equivalents	12	4,88,65,038	9,15,06,611
(e) Short-term loans and advances	13	29,19,51,851	25,97,00,226
(f) Other current assets - Accrued Income		45,14,847	1,27,79,750
		<u>177,81,51,855</u>	<u>184,55,82,002</u>
Significant Accounting Policies	1		
<b>TOTAL</b>		<u><b>288,64,74,979</b></u>	<u><b>270,26,08,772</b></u>

Notes 1 to 13, Notes 24 to 40 and Cash Flow Statement form part of this Balance Sheet

Vide our Report of date attached  
For SURI & CO.

For and on behalf of the Board

Chartered Accountants  
Firm's Regn.No: 004283S  
G. RENGARAJAN  
*Partner*

AJIT THOMAS  
*Executive Chairman*

PSHANKAR  
*Director*

Place : Chennai,  
Date : 10.06.2019

Membership No. 219922

R.VENUGOPALAN  
*Chief Financial Officer*

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	NOTE NO.	Amount in ₹	
		31.03.2019	31.03.2018
I. Revenue from operations (Net of Excise Duty)	14	847,46,58,641	814,93,28,400
II. Other Income	15	4,46,88,999	2,03,07,717
III. <b>Total Revenue</b>	(I + II)	<u>851,93,47,640</u>	<u>816,96,36,117</u>
IV. Expenses:			
Cost of Materials Consumed	16	446,26,24,809	370,17,78,100
Purchase of Stock-in-Trade		208,00,41,343	250,19,10,007
Changes in Inventories of Finished Goods & Stock in Trade	17	(61,67,278)	(9,40,143)
Employee Benefit Expense	18	34,80,46,941	30,93,73,923
Finance Costs	19	1,49,77,117	83,55,581
Depreciation and amortization expense		2,82,59,833	2,93,70,712
Selling Expenses	20	88,16,86,632	94,94,60,381
Manufacturing Expenses	21	15,33,93,847	12,04,39,750
Other Expenses	22	19,45,10,524	17,93,03,289
<b>Total Expenses</b>		<u>815,73,73,768</u>	<u>779,90,51,600</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		36,19,73,872	37,05,84,517
VI. Exceptional / Extra ordinary items		Nil	Nil
VII. Profit before tax	(V - VI)	<u>36,19,73,872</u>	<u>37,05,84,517</u>
VIII. Tax expense:			
Current tax		12,65,00,000	13,75,00,000
Deferred tax		(26,00,000)	(14,00,000)
IX. Profit/(Loss) for the period	(VII- VIII)	<u>23,80,73,872</u>	<u>23,44,84,517</u>
X. Earnings per equity share:			
(1) Basic	29	506.32	498.69
(2) Diluted	29	506.32	498.69

Notes 1 & 14 to 40 and Cash Flow Statement form part of this statement of Profit and Loss

Vide our Report of date attached  
For SURI & CO.

Chartered Accountants  
Firm's Regn.No: 004283S  
G. RENGARAJAN  
*Partner*

Membership No. 219922

For and on behalf of the Board

AJIT THOMAS  
*Executive Chairman*

PSHANKAR  
*Director*

Place : Chennai,  
Date : 10.06.2019

R.VENUGOPALAN  
*Chief Financial Officer*

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items:	36,19,73,872	37,05,84,517
Adjustments for:		
Depreciation	2,82,59,833	2,93,70,712
Diminution in value of Investments	10,562	
Profit on Sale of Assets / Investments	(2,59,51,434)	( 22,13,591)
Interest / Dividend Received	( 70,14,028)	(1,12,03,522)
Provision for Gratuity / Leave Encashment	48,18,739	9,79,798
Interest Paid	1,49,77,118	83,55,581
	1,51,00,790	2,52,88,978
Operating Profit before Working Capital Changes	37,70,74,662	39,58,73,495
Adjustments for:		
Trade Receivables	3,22,81,202	(4,67,85,033)
Inventories	(17,43,57,629)	(20,51,06,044)
Trade Payables	(3,50,72,293)	26,47,79,683
Other current liabilities	47,709	(2,38,95,436)
Other current assets	81,16,920	(7,55,17,264)
	(16,89,84,091)	(8,65,24,094)
Cash Generated from Operations	20,80,90,571	30,92,49,401
Direct Taxes Paid	(13,30,51,269)	(13,32,74,226)
<b>Net Cash from Operating Activities</b>	7,50,39,302	17,59,75,175
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sales of Fixed Assets	1,74,07,985	92,141
Purchase of Fixed Assets	(13,99,89,547)	(3,79,40,030)
Interest / Dividend Received	1,52,78,931	82,23,042
Purchase of Investments	(15,95,88,993)	(49,11,51,597)
Sale of Investments	22,20,06,962	30,00,32,026
<b>Net Cash From Investing Activities</b>	(4,48,84,662)	(22,07,44,418)

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	Amount in ₹	
	31.03.2019	31.03.2018
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Term Loan	7,50,00,000	Nil
Interest Paid	(1,49,77,118)	(83,55,581)
Dividend Paid (Including tax on Dividend)	(8,63,79,629)	(8,47,45,025)
<b>Net Cash From Financing Activities</b>	<u>(2,63,56,747)</u>	<u>(9,31,00,606)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<u>37,97,893</u>	<u>(13,78,69,849)</u>
Cash and Cash Equivalents as at 01.04.2018	3,67,07,669	17,45,77,518
Cash and Cash Equivalents as at 31.03.2019	<u>4,05,05,563</u>	<u>3,67,07,669</u>
	<u>37,97,893</u>	<u>(13,78,69,849)</u>

Vide our Report of date attached  
For SURI & CO.

Chartered Accountants  
Firm's Regn.No: 004283S  
G. RENGARAJAN  
*Partner*

Membership No. 219922

Place : Chennai,  
Date : 10.06.2019

For and on behalf of the Board

AJIT THOMAS  
*Executive Chairman*

PSHANKAR  
*Director*

R.VENUGOPALAN  
*Chief Financial Officer*

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### Note - 1:

#### NOTES ON ACCOUNTS FOR YEAR ENDED 31<sup>ST</sup> MARCH 2019

##### SIGNIFICANT ACCOUNTING POLICIES

Background: A.V.Thomas & Co. Ltd., was incorporated in India during the year 1935 with main business being Trading, Manufacturing and Exports. The main divisions under the company are Consumer Products Division, Trading & Services and Dairy Division

**a. ACCOUNTING CONVENTION:**

The Financial Statements have been prepared on a going concern basis under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles, accounting standards notified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

**b. CURRENT AND NON-CURRENT CLASSIFICATION:**

All Assets and liabilities has been classified as Current or Non-Current as per the Company's normal operating cycle (12 months) and other criteria set out in Schedule III to the Act.

**c. PROPERTY, PLANT AND EQUIPMENT:**

Property, Plant and Equipment has stated at cost less accumulated depreciation and accumulated impairment loss based on cost model. The cost of an item of property, plant and equipment is recognised as an asset when:

- i) It is probable that future economic benefits associated with the item will flow to the enterprise. and
- ii) The cost of the item can be measured reliably.

Cost includes, taxes and duties (but does not include taxes and duties for which GST credit is available), freight and other direct or allocated expenses during construction period, net of any income earned. Assets acquired on hire purchase are capitalised at principal value.

Property, plant and equipments are depreciated on written down value method adopting the useful life specified in Schedule II of the Companies Act 2013. Assets costing individually less than Rs.5000/- are depreciated at 100% in the year of purchase. Depreciation for Assets purchased/sold during the period is proportionately charged.

Intangible Assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to Company for its use. Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

**d. IMPAIRMENT OF ASSETS:**

The Company reviews the carrying amounts of its assets for any possible impairment at each balance sheet date. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount and the impairment loss, if any, is recognised in the Statement of Profit and Loss.

**e. BORROWING COSTS:**

Borrowing costs that are directly attributable to the acquisition/construction of the qualifying asset are capitalised as a part of cost of such asset, upto the date of acquisition/completion of construction.

Other borrowing costs are recognised as expense as and when incurred.

**f. INVESTMENTS:**

Long term Investments are stated at cost. Decline in value of long term investments, other than temporary, is provided for. Current Investments are stated at lower of cost and fair value. Investment in Immovable properties is stated at cost less depreciation.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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**g. INVENTORIES:**

Inventories are valued at lower of cost on weighted average/FIFO basis and net realisable value, after providing for obsolescence considered necessary. Cost includes taxes and duties (other than duties and taxes for which GST credit is available), freight and other direct expenses.

**h. REVENUE RECOGNITION:**

Revenue is recognised on their accrual and when no significant uncertainty on measurability or collectability exists. Expenditure is accounted for on their accrual.

**Sale of Goods:**

Revenue is recognised when all the significant risks and rewards of ownership of the goods have been passed on to the buyer, usually on delivery of goods. The Company collects GST on behalf of the Government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

**Income from Services:**

Revenue from Services are recognised over the period as and when the services are rendered. The Company collects GST on behalf of the Government and, therefore it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

**Interest:**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the Statement of Profit and Loss.

**Dividends:**

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

**i. EMPLOYEE BENEFITS:**

Gratuity liability, which is a defined benefit scheme and provision for leave encashment is accrued and provided for on the basis of independent actuarial valuation based on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognised in the Statement of Profit and Loss and are not deferred.

Retirement benefits in the form of Provident Fund, Family Pension Fund and Superannuation Schemes, which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when the contribution to the respective fund accrue.

**j. FOREIGN CURRENCY TRANSACTIONS:**

Foreign currency transactions are recorded at the rates of exchange in force at the time the transactions are effected. The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates and the resultant gain or loss is dealt within the Statement of Profit and Loss on completion of the transaction. Monetary items denominated in foreign currency and outstanding at the Balance sheet date are converted at the year end exchange rate and the resultant gain or loss is dealt with in the Statement of Profit and Loss.

**k. GOVERNMENT GRANTS**

Subsidies from Government in respect of fixed assets are deducted from the cost of respective assets as and when they accrue. Subsidies related to revenue are recognised in the Statement of Profit and Loss to match them with the related costs which they are intended to compensate.

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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### **I. TAXES ON INCOME:**

Provision for Income-Tax is made for both current and deferred tax. Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax is accounted for by computing the tax effect of the timing difference which arise during the year and reverse out in the subsequent periods. Deferred tax is calculated at the tax rates substantively enacted by the Balance sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realised.

### **m. EARNINGS PER SHARE:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share holders by the weighted average number of equity share holders outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, bonus element in a right issue, share split and reverse share split.

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

### **n. PROVISIONS & CONTINGENT LIABILITY:**

Provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting period and adjusted to reflect the current best estimates.

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one more uncertain future event beyond the control of the Company or a present obligation that is not recognised because it is not probable that an out flow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise contingent liability but discloses its existence in financial statements.

Contingent Assets are neither recognised nor disclosed.

### **o. DIVIDEND**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### **p. CASH FLOW STATEMENT:**

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of

- (i) Transactions of a non-cash nature.
- (ii) Any deferrals or accruals of past or future operating cash receipts or payments and
- (iii) Items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in Cash Flow Statement.

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 2:</b>		
<b>SHARE CAPITAL</b>		
a. AUTHORISED 20,00,000 Equity Shares of ₹10/- each	2,00,00,000	2,00,00,000
b. ISSUED, SUBSCRIBED AND PAID-UP 4,70,200 Equity Shares of ₹10/- each	47,02,000	47,02,000
c. Reconciliation of shares outstanding at the beginning and at the end of the reporting year		
Number of shares at the beginning of the year	4,70,200	4,70,200
Add/(Less) shares issued / buyback etc.	Nil	Nil
Number of shares at the end of the year	4,70,200	4,70,200
d. Details of shareholders holding more than 5% of equity shares.		
	31.03.2019	31.03.2018
Name of the shareholder	No of Shares Held	% of Holding
Mr.Ajit Thomas	2,12,612	45.22
Mr.Dilip Thomas	1,57,020	33.39
No Bonus shares / Buy back of shares in the immediately preceding 5 years		
f. The Company has only one class of Shares which is Equity Shares. Each Holder of Equity Shares is entitled for one vote in proportion to the number of shares held		
g. Shares reserved under option and contract/commitments for sale of shares/disinvestment - Nil (Nil)		
h. The aggregate value of calls unpaid (including Directors and Officers of the Company) - Nil (Nil)		
<b>NOTE - 3:</b>		
<b>RESERVES AND SURPLUS</b>	₹	₹
<b>GENERAL RESERVE:</b>		
As per last Balance Sheet	151,94,79,502	
Add: Transfer from Statement of Profit and Loss	10,00,00,000	
	<u>161,94,79,502</u>	<u>151,94,79,502</u>
Surplus/(deficit) in the statement of Profit and Loss		
Balance as per last financial statements	44,91,37,913	39,95,41,646
Profit for the year	23,80,73,872	23,44,84,517
	<u>68,72,11,785</u>	<u>63,40,26,163</u>
<b>Less: Appropriations</b>		
Final Dividend on Equity Shares for FY 17-18 @ ₹75 per share (Previous year ₹75 per Share)	3,52,65,000	3,52,65,000
Tax on Final Dividend for FY 17-18	72,48,827	71,79,125
Interim Dividend on Equity shares for FY 18-19 @ ₹ 75 per share (Previous year ₹75 )	3,52,65,000	3,52,65,000
Tax on Interim Dividend for FY 18-19	72,48,827	71,79,125
Transfer to General Reserve	10,00,00,000	10,00,00,000
	<u>18,50,27,654</u>	<u>18,48,88,250</u>
Net surplus in the Statement of Profit and Loss	50,21,84,131	44,91,37,913
<b>Total reserves and surplus</b>	<u>212,16,63,633</u>	<u>196,86,17,415</u>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 4:</b>		
<b>NON CURRENT LIABILITIES</b>		
<b>Long Term Borrowings - Secured - From Banks</b>	7,50,00,000	Nil
The Company's borrowing facilities comprising of Term Loan of 975 Lakhs for the Roofing Pipe Profiling Unit against first charge on the project assets including 3.78 acres of industrial lease hold land Repayable in 60 Equal monthly instalments starting from April 2020 and the last instalment falling due on March 2025. (Rate of interest - 8.4% per annum) Period and amount of default as on 31.03.2019 - Nil		
No loan have been guaranteed by Directors or Others		
<b>Long term Provisions</b>		
<b>Provision for Employee benefits (Refer Note:34)</b>		
Provision for Gratuity	3,31,677	2,84,632
Provision for Leave Encashment	2,01,18,204	2,04,33,664
	2,04,49,881	2,07,18,296
<b>NOTE - 5:</b>		
<b>CURRENT LIABILITIES</b>		
(a) Short term borrowings	Nil	Nil
The company's borrowing facilities comprising cash credit and other facilities of Rs.4860 Lakhs (Rs.4860 Lakhs) secured by hypothecation of inventories and book debts and equitable mortgage of land & building at Bodinaikanur. No loans have been guaranteed by Directors or Others Period and amount of continuing default as on 31-03-2019 - Nil		
(b) Trade payables		
(Refer Note: 28 for Details of dues to micro and small enterprises)		
Total outstanding dues of Micro Enterprises and Small Enterprises and	23,13,455	44,38,318
Total outstanding dues of creditors other than micro enterprises and small enterprises	45,29,67,646	48,59,15,075
(c) <b>Other Current Liabilities</b>		
- interest accrued and due on borrowings	1,61,390	Nil
- Unclaimed Dividend	53,69,075	67,11,300
- Refund of Capital	Nil	9,750
- Other Current Liabilities	3,97,81,683	3,98,95,365
	4,53,12,148	4,66,16,415
(d) <b>Short term Provisions</b>		
<b>Provision for Employee benefits (Refer Note: 34)</b>		
Provision for Gratuity	67,06,170	65,52,003
Provision for Leave Encashment	1,21,94,874	72,61,887
<b>Other provisions</b>		
Provision for Taxation	14,51,65,172	15,77,87,363
	16,40,66,216	17,16,01,253

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2019

**NOTE - 6:**  
**PROPERTY, PLANT & EQUIPMENT :** Amount in ₹

Description	GROSS BLOCK		DEPRECIATION			NET BLOCK	
	As at 1.4.2018	As at 31.3.2019	As at 31.3.2018	For the Year	Upto 31.3.2019	As at 31.3.2019	As at 31.3.2018
Land *	11,05,11,365	9,40,93,340	Nil	Nil	Nil	9,40,93,340	11,05,11,365
Agricultural Land	1,63,06,667	1,63,06,667	Nil	Nil	Nil	1,63,06,667	1,63,06,667
Buildings *	9,52,04,032	11,17,10,557	5,62,73,615	45,59,196	6,07,57,098	5,09,53,459	3,89,30,417
Plant & Equipment	17,66,04,420	19,16,43,891	11,93,85,867	1,21,41,524	13,14,79,891	6,01,64,000	5,72,18,553
Furniture & Fixtures	2,20,42,233	2,23,62,752	1,65,82,168	13,64,343	1,79,46,511	44,16,241	54,60,065
Vehicles	8,73,07,696	8,62,78,437	5,82,54,432	99,62,096	6,29,11,838	2,33,66,599	2,90,53,264
<b>TOTAL</b>	<b>50,79,76,413</b>	<b>52,23,95,644</b>	<b>25,04,96,082</b>	<b>2,80,27,159</b>	<b>27,30,95,338</b>	<b>24,93,00,306</b>	<b>25,74,80,331</b>
<i>Previous Year</i>	<i>48,29,09,660</i>	<i>50,79,76,413</i>	<i>22,22,40,304</i>	<i>2,91,25,793</i>	<i>8,70,015</i>	<i>25,04,96,082</i>	<i>26,06,69,354</i>

\* Includes ₹.1,39,969 and ₹.11,14,410 respectively representing cost of Land and Buildings in Joint Ownership with other Companies, the book value of which amounted to ₹.1,39,969 and ₹.2,10,719.

# A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

## NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019

### NOTE - 7: NON-CURRENT INVESTMENTS : (LONG TERM)-VALUED AT COST

Description	As at 1-4-2018			Additions			Deductions			As at 31-3-2019		
	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹
<b>I. Investment in Equity Instruments</b>												
<b>A. QUOTED</b>												
Equity Shares - Fully Paid - up												
Fertilizers & Chemicals (Travancore) Ltd.	5	19					5				5	19
		<u>19</u>										<u>19</u>
<b>B. UNQUOTED</b>												
Equity Shares - Fully Paid - up:												
Chennai Willingdon Corporate Foundation	30	300									30	300
L.J.International Limited	32,200	61,582									32,200	61,582
A.V.Thomas Investments Co. Ltd.(Associate Company)	1,19,480	11,94,800									1,19,480	11,94,800
The Midland Rubber & Produce Co. Ltd	500	16,60,300					500	16,60,300				
AVT Gavia Foods Pvt. Ltd (Associate Company) *	1,10,00,000	11,00,48,413					10,00,000	1,00,00,000			1,20,00,000	12,00,48,413
Madura Micro Finance Ltd	11,59,435	45,00,00,318					Nil	Nil			11,59,435	45,00,00,318
Grover Zampa Vineyards Ltd		<u>56,29,65,713</u>					22,25,463	14,55,94,400			22,25,463	14,55,94,400
								<u>15,55,94,400</u>			71,68,99,813	71,68,99,813
								<u>16,60,300</u>			71,68,99,813	71,68,99,813
											1,10,32,762	1,10,32,762
											63,04,644	63,04,644
											47,28,118	47,28,118
								<u>15,55,94,400</u>			72,16,27,950	72,16,27,950
<b>II. Investment Properties</b>												
Value of Land		3,07,325										3,07,325
Value of Building (including Fittings and Fixtures)		1,07,25,437										1,07,25,437
		<u>1,10,32,762</u>										1,10,32,762
Less: Depreciation		60,71,971										63,04,644
		<u>49,60,791</u>										47,28,118
								<u>15,55,94,400</u>				72,16,27,950
<b>TOTAL</b>		<u>56,79,26,523</u>										19
Aggregate amount of Quoted Investments (Market Value ₹ 255 P.Y. ₹ 206)		19										71,68,99,813
Aggregate amount of Unquoted Investments		56,29,65,713										1,10,32,762
Value of Investment Properties		<u>1,10,32,762</u>										(63,04,644)
Aggregate provision for depreciation in value of immovable properties		<u>(60,71,971)</u>										72,16,27,950
		<u>56,79,26,523</u>										72,16,27,950

\* Being Private Limited Company, transfer of shares is restricted U/s 2(68)(i) of the Companies Act, 2013

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019

**NOTE - 8:**

	31.03.2019 ₹.	31.03.2018 ₹.
<b>DEFERRED TAX ASSET (NET)</b> (Refer Note : 36)		
Deferred Tax Assets	2,23,00,000	1,97,00,000
Deferred Tax Asset	<b>2,23,00,000</b>	<b>1,97,00,000</b>

**NOTE - 9:**

**CURRENT INVESTMENTS : (Valued at Lower of Cost and Fair value)**

Description	As at 1-4-2018			Deductions			As at 31-3-2019		
	No. of Shares/Units	Amount ₹.	No. of Shares/Units	No. of Shares/Units	Amount ₹.	No. of Shares/Units	Amount ₹.	No. of Shares/Units	Amount ₹.
<b>QUOTED</b>									
<b>IN MUTUAL FUNDS :</b>									
ICICI Short term Plan - Regular Growth	17,80,194	4,25,75,471	Nil	17,80,194	4,25,75,471	Nil		Nil	
Reliance Arbitrage Advantage Fund (Monthly Dividend)	1,16,46,951	12,39,53,766	2,85,287	1,19,33,238	12,69,82,056	Nil		Nil	
ICICI Equity Arbitrage Fund - Reg. Div	18,54,308	2,55,50,225	71,092	17,15,384	2,36,45,402	2,10,016	28,71,125	Nil	
IDFC Ultra Short Term Fund	70,477	16,32,823	Nil	70,477	16,32,823	Nil		Nil	
Less : Diminution in value								(10,562)	
	1,53,51,930	19,37,12,285	3,57,379	1,54,99,293	19,48,35,752	2,10,016	28,60,563		

Aggregate amount of Quoted Investments

(Market Value ₹ 28,60,563 P.Y. ₹ 21,47,19,284 )

19,37,12,285

28,60,563

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 10 :</b>		
<b>INVENTORIES:(Valued at lower of cost and net realisable value)</b>		
Raw Materials	61,00,04,970	50,14,43,812
Stores and Spares	7,77,24,778	6,15,23,811
Finished Goods		
- Packed Tea	10,39,04,672	7,65,45,961
- Packed Coffee	42,42,175	36,41,431
- Premix	7,02,393	15,92,523
- Roofing Sheets	27,12,302	1,26,32,060
Stock in Trade		
- Roofing Sheets & Others	19,57,60,564	20,60,40,460
Goods in Transit	8,20,50,787	3,93,24,954
	<u>107,71,02,641</u>	<u>90,27,45,012</u>
<b>NOTE - 11:</b>		
<b>TRADE RECEIVABLES</b>		
<b>(A) Trade receivables outstanding for more than six months from the date they become due for payment</b>		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	2,74,44,536	2,36,51,354
(iii) Doubtful	9,59,316	9,59,316
	<u>2,84,03,852</u>	<u>2,46,10,670</u>
Less : Allowances for Bad and Doubtful Debt	9,59,316	9,59,316
	<u>2,74,44,536</u>	<u>2,36,51,354</u>
<b>(B) Trade receivables ( others)</b>		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	32,54,12,379	36,14,86,763
(iii) Doubtful	Nil	Nil
(Refer Note : 27 for Details of Debts due by Private Limited Companies in which Director/s are interested as Directors)	<u>32,54,12,379</u>	<u>36,14,86,763</u>
<b>Total</b>	<u><b>35,28,56,915</b></u>	<u><b>38,51,38,117</b></u>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 12:</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Cash and Stamps on hand	6,85,584	4,74,040
Balance with banks		
- In Current Account	3,85,34,744	3,50,16,264
- In Deposit Account	<u>12,85,235</u>	<u>12,17,365</u>
	<u>4,05,05,563</u>	<u>3,67,07,669</u>
- In Dividend / Refund of Capital Account	53,69,075	67,21,050
- In Margin Money Deposit for Issue of Letters of Credit and Guarantee	<u>29,90,400</u>	<u>4,80,77,892</u>
	<u>83,59,475</u>	<u>5,47,98,942</u>
<b>Total</b>	<u>4,88,65,038</u>	<u>9,15,06,611</u>
Bank deposit with more than 12 months maturity	10,25,000	10,35,000

**NOTE - 13:**

**SHORT TERM LOANS & ADVANCES:**

Considered good - Unsecured		
Advances recoverable in cash or in kind or for value to be received		
	2,49,01,970	2,46,74,574
Input tax credit receivable	9,83,89,983	7,92,68,425
Tax payments pending adjustment	13,03,84,634	13,64,55,556
Advance to Suppliers	2,22,64,705	36,70,351
Deposits	1,56,85,384	1,52,50,621
Balance with Customs, Port Trust etc.,	<u>3,25,175</u>	<u>3,80,699</u>
	<u>29,19,51,851</u>	<u>25,97,00,226</u>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 14:</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>SALE OF PRODUCTS</b>		
- Tea, Coffee & Premix	537,16,54,982	482,09,95,555
- Traded Goods	207,78,58,291	270,60,75,551
- Roofing Materials	70,54,11,798	26,97,31,568
Less : Excise Duty		(90,57,487)
	815,49,25,071	778,77,45,187
Less : Trade Discount	10,48,35,452	11,89,67,826
	805,00,89,619	766,87,77,361
<b>SALE OF SERVICES - Logistics</b>	41,29,04,937	44,99,28,263
<b>OTHER OPERATING REVENUE</b>		
Export Incentives	1,16,64,085	3,06,22,776
	847,46,58,641	814,93,28,400
 <b>NOTE - 15:</b>		
<b>OTHER INCOME :</b>		
Interest	29,59,397	33,82,016
Income from Investments - Long term	60,038	10,52,937
Income from Investments - Short term	39,94,592	67,68,569
Rent	1,64,552	1,59,000
Service Income	60,000	60,000
Profit on Sale of Current Investments	2,55,10,910	22,04,796
Profit on Sale of Tangible Assets	4,40,525	8,795
Insurance Claims	42,21,212	2,89,809
Exchange Fluctuation Gain	3,40,890	19,05,016
Miscellaneous Income	69,36,883	44,76,779
	4,46,88,999	2,03,07,717

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 16:</b>		
<b>COST OF MATERIALS CONSUMED: (Refer Note 23)</b>		
Garden Tea	361,84,35,811	313,12,72,803
Coffee	6,23,49,610	6,46,65,539
Chicory	1,83,20,602	1,64,22,930
Roofing Materials	50,11,84,601	23,96,63,927
Premix	2,07,93,179	1,57,66,922
Packing & Other Materials	24,15,41,006	23,39,85,979
	446,26,24,809	370,17,78,100
 <b>NOTE - 17:</b>		
<b>CHANGES IN INVENTORIES</b>		
<b>INCREASE(-) / DECREASE (+) IN STOCK</b>		
<b>Opening Stock</b>		
Packed Tea	7,65,45,961	7,37,20,405
Packed Coffee	36,41,431	28,23,093
Traded Goods	22,02,65,043	22,29,68,794
	30,04,52,435	29,95,12,292
 <b>Closing Stock</b>		
Packed Tea	10,39,04,672	7,65,45,961
Packed Coffee	42,42,175	36,41,431
Traded Goods	19,84,72,866	22,02,65,043
	30,66,19,713	30,04,52,435
	(61,67,278)	(9,40,143)
 <b>NOTE- 18:</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	29,49,97,287	26,46,43,847
Contribution to Provident and Other Funds	3,29,52,876	3,16,36,436
Provision for Gratuity (Refer Note 34)	2,01,212	2,14,284
Provision for Leave Encashment (Refer Note 34)	46,17,527	7,65,514
Welfare	1,52,78,039	1,21,13,842
	34,80,46,941	30,93,73,923
 <b>NOTE- 19:</b>		
<b>FINANCE COST</b>		
Interest Expenses	1,49,77,117	83,55,581
	1,49,77,117	83,55,581

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 20: SALES EXPENSES:</b>		
Sales Tax	Nil	2,46,251
Freight & Transport	16,58,12,621	16,81,57,884
Shipment Expenses	35,23,21,563	38,02,13,661
Insurance	21,00,000	25,47,654
Commission	99,79,781	2,63,20,813
Advertisement	8,51,08,151	11,15,32,774
Consumer Offer	9,01,01,451	7,57,18,900
Discounts to Consumers	8,74,36,350	10,11,35,850
Dealer incentives	5,55,77,655	6,30,26,103
Business Promotion	3,32,49,060	2,05,60,491
	88,16,86,632	94,94,60,381
<b>NOTE - 21: MANUFACTURING EXPENSES</b>		
Packing charges	10,60,01,431	7,69,06,055
Power and Fuel	55,43,757	48,32,465
Rent	2,50,10,639	2,44,85,332
Repairs and Maintenance		
- Buildings	83,93,428	56,01,842
- Machinery	84,44,592	86,14,056
	15,33,93,847	12,04,39,750
<b>NOTE - 22: OTHER EXPENSES</b>		
Power and Fuel	33,89,519	33,81,485
Rent	1,61,56,880	1,57,89,958
Rates and Taxes	31,16,034	60,79,015
Insurance	38,32,121	36,85,545
Travelling Expenses	5,16,46,652	4,50,34,391
Repairs and Maintenance		
- Buildings	62,23,272	73,84,297
- Machinery	77,25,871	58,46,306
- Vehicles	1,70,23,247	1,51,14,359
- Others	8,79,490	6,85,035
Directors' Sitting Fees	9,00,000	9,90,000
Payment to Statutory Auditors		
- As Auditors	20,00,000	20,00,000
- For Tax Audit /Certification	11,90,500	8,86,326
- For Reimbursement of expenses	1,15,000	1,15,000
CSR Expenditure (Refer Note: 33)	77,50,000	84,58,000
Diminution in value of investments	10,562	Nil
Loss on Sale of Plant Property & Equipment	26,02,592	Nil
Professional and Legal Fees	1,97,17,491	1,80,57,650
Miscellaneous Expenses	5,02,31,293	4,57,95,922
	19,45,10,524	17,93,03,289

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

	31.03.2019		31.03.2018	
<b>NOTE - 23:</b>				
<b>PARTICULARS OF MATERIALS CONSUMPTION</b>				
<b>Materials Consumed</b>	<b>Qty (MT)</b>	<b>Value</b>	<b>Qty (MT)</b>	<b>Value</b>
Garden Tea	%	₹	%	₹
Indigenous	99.70	360,77,54,703	100	313,12,72,803
Imported	0.30	1,06,81,108		-
		361,84,35,811		313,12,72,803
Roofing Materials				
Indigenous	100	50,11,84,601	100	23,96,63,927
Raw Coffee and Chicory				
Indigenous	100	8,06,70,212	100	8,10,88,469
Premix				
Indigenous	100	2,07,93,179	100	1,57,66,922
Packing and Other Materials				
Indigenous	100	24,15,41,006	99.89	23,37,33,571
Imported		-	0.11	2,52,408
		24,15,41,006		23,39,85,979
			Amount in ₹	
			<b>31.03.2019</b>	<b>31.03.2018</b>
<b>24 Earnings in Foreign Exchange</b>				
F.O.B. Value of Exports			19,00,04,898	67,71,10,850
<b>25 Expenditure in Foreign Currency</b>				
Travelling			51,29,782	47,39,194
Commission			53,83,558	2,60,10,073
Advertisement & Sales Promotion			7,87,839	19,96,703
<b>26 CIF Value of Imports</b>				
Garden Tea			1,06,81,108	Nil
Capital Goods			35,91,239	28,10,032
Stock in Trade			Nil	1,04,75,933
Packing Materials			Nil	2,52,408
Stores and Spares			8,94,807	Nil

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

		Amount in ₹	
		31.03.2019	31.03.2018
<b>27</b>	<b>Sundry Debtors include</b>		
	Debts due by Private Limited Companies in which Director/s are interested as Director/s.		
	AVT McCormick Ingredients Private Limited	75,86,551	33,64,541
	A V Thomas Leather & Allied Products Private Limited	58,51,220	26,01,347
	AVT Gavia Foods Private Limited	Nil	2,35,919
	Alina Private Limited	38,75,994	55,75,776
	AVT Holdings Private Limited	Nil	14,160
	Aspera Logistics Pvt. Ltd.	Nil	14,160
	Midland Corporate Advisory Service Ltd.	Nil	14,160
	Provision Value Gard Pvt. Ltd.	Nil	14,160
<b>28</b>	<b>Total outstanding to Micro &amp; Small Enterprises (SMEs)</b>		
	The information regarding dues to Micro, Small and Medium Enterprises as required under Micro, Small & Medium Enterprise Development (MSMED) Act, 2006 as on 31st March 2019 is furnished below:		
(a)	The Principal amount and the interest due there on remaining unpaid to any supplier as at the end of the accounting year		
	(i) Principal due to Micro & Small Enterprise	23,13,455	44,38,318
	(ii) Principal due to Medium Enterprise	26,25,540	6,14,495
	(iii) Interest	Nil	Nil
(b)	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(c)	The amount of interest due and payable for the period (Where the principal has been paid but interest under the MSMED Act, 2006 not paid)	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(e)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	Nil	Nil
<b>29</b>	<b>Earnings Per Share</b>		
	Profit after Taxation	23,80,73,872	23,44,84,517
	Number of Equity Shares outstanding at the end of the year	4,70,200	4,70,200
	Earnings per share (Basic and Diluted)	506.32	498.69

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>30 Contingent Liabilities and Commitments</b>		
Tax Disputed -(KGST, CST, ENTRY TAX, Service Tax, Income Tax)	Nil	Nil
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,54,45,132	18,19,466

#### 31 DIVIDEND

The Board of Directors in its meeting on 10th June 2019, have proposed a final dividend of Rs.75 Per Equity Share for financial year ended 31st March 2019. The proposal is subject to the approval of Shareholders at the Annual General Meeting to be held on 22nd August 2019 and if approved, would result in a cash out flow of approximately Rs.4.25 Crores including corporate dividend tax

#### 32 EXIT OFFER TO THE SHAREHOLDERS OF THE COMPANY

The Board of Directors of the Company along with its Promoters, decided in its meeting held on 10th February, 2017 to provide Exit Offer to the existing public shareholders. The Exit Offer period concluded on 14th October 2018

In this regard the Promoters of the Company, has acquired 23492 number of public shares from the share holders which constitutes to 4.99 % of the total share capital

##### PARTICIPATION AS A PROMOTER - IN EXIT OFFER

The Board of Directors of the company in its meeting held on 10th February, 2017, has decided to participate in the Exit Offer of one of the Group Company namely, The Midland Rubber & Produce Co.Ltd. The exit offer of the group company concluded on 14th October 2018

The company had given a Bank Gaurantee to the National Stock Exchange Limited, which was released subsequent to the closure of Exit offer.

#### 33 Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act 2013, CSR Committee has been formed by the company.

The areas of CSR activities are promoting Health Care, Rural Development projects and rehabilitation programs

(a) Gross Amount required to be spent by the Company during the year ₹ 77,50,000 (PY ₹ 84,58,000)

(b) Amount Spent during the Year:

Particulars	in Cash ₹	Yet to be paid Cash	Total ₹
(i) Construction /acquisition of any asset	Nil	Nil	Nil
(ii) On purposes other than (i) above			
(a) Empowerment of Women & Children	16,50,000	Nil	16,50,000
(b) Rehabilitation Programs	26,00,000	Nil	26,00,000
(c) Health Care	10,00,000	Nil	10,00,000
(d) Environmental Sustainability	5,00,000	Nil	5,00,000
(e) Education & employment	20,00,000	Nil	20,00,000
<b>Total</b>	<b>77,50,000</b>		<b>77,50,000</b>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 34 Employee Benefits:

l) Defined Benefit Plans:

a) Description of the Company's Defined Benefit Plan:

i) Gratuity Scheme:

This is a funded defined benefit plan for qualifying employees for which, the Company makes contribution to the Gratuity Fund managed by the Life Insurance Corporation of India. The Scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

ii) Leave Encashment:

The Company also operates a non funded leave encashment scheme for its employees.

b) Reconciliation of changes in the Present Value of Obligation:

	31.3.2019		31.3.2018	
	Gratuity (Funded Plan) ₹	Leave Encashment (Non Funded Plan) ₹	Gratuity (Funded Plan) ₹	Leave Encashment (Non Funded Plan) ₹
Present Value of the Obligation at beginning of period	5,70,98,183	2,76,95,551	5,28,82,278	2,69,30,037
Current Service Cost	49,49,921	53,52,253	43,63,701	50,53,280
Interest Cost	41,07,023	18,40,747	35,02,036	16,70,070
Benefits Paid	( 16,75,175)	( 49,59,666)	( 33,65,847)	( 50,27,614)
Actuarial loss / (gain)	( 5,58,248)	23,84,193	( 2,83,985)	( 9,30,222)
Present Value of the Obligation as at end of the period	<u>6,39,21,704</u>	<u>3,23,13,078</u>	<u>5,70,98,183</u>	<u>2,76,95,551</u>

c) Reconciliation of changes in the fair value of Plan Assets:

Fair Value of Plan Assets at beginning of period	5,05,46,180	Nil	4,65,24,285	Nil
Expected return on plan assets	39,74,800	Nil	38,17,600	Nil
Contribution by the Company	45,00,000	49,59,666	40,00,000	50,27,614
Benefits Paid	( 16,75,175)	( 49,59,666)	( 33,65,847)	( 50,27,614)
Actuarial gain / (loss)	( 1,30,271)	Nil	( 4,29,858)	Nil
Fair Value of Plan Assets at end of period	<u>5,72,15,534</u>	<u>Nil</u>	<u>5,05,46,180</u>	<u>Nil</u>

d) The total expense recognised in the statement of profit and loss is as follows:

Current Service Cost	49,49,921	53,52,253	43,63,701	50,53,280
Interest Cost	41,07,023	18,40,747	35,02,036	16,70,070
Expected return on plan assets	( 39,74,800)	N.A	( 38,17,600)	N.A
Net Actuarial (gain) / loss recognised in the year	( 4,27,977)	23,84,193	1,45,873	( 9,30,222)
	<u>46,54,167</u>	<u>95,77,193</u>	<u>41,94,010</u>	<u>57,93,128</u>

e) Reconciliation of Net Liability recognised in the Balance Sheet

Net Liability as at the beginning of the year	65,52,003	2,76,95,551	63,57,993	2,69,30,037
Add : Expense as (d) above	46,54,167	95,77,193	41,94,010	57,93,128
Less: Employers Contribution / Payment	( 45,00,000)	( 49,59,666)	( 40,00,000)	( 50,27,614)
Net Liability as at the end of the year	<u>67,06,170</u>	<u>3,23,13,078</u>	<u>65,52,003</u>	<u>2,76,95,551</u>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

34 Employee Benefits: (Contd.)	31.3.2019		31.3.2018	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
	₹	₹	₹	₹
f) Constitution of Plan Assets:				
Investments in LIC Group Gratuity Scheme	5,72,15,534	Not Applicable	5,05,46,180	Not Applicable
g) Principal actuarial assumptions used as at the Balance Sheet date:				
Discount Rate	7.32%	7.32%	7.30%	7.30%
Salary Escalation Rate	6.50%	6.50%	6.50%	6.50%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.32%	NA	7.65%	NA

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, Promotion and other relevant factors such as demand and supply in the employment market.

h) The amounts pertaining to defined benefit plans are as follows:

	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
	₹	₹	₹	₹	₹
Gratuity - Funded Plan					
Defined benefit obligation	6,39,21,704	5,70,98,183	5,28,82,278	4,55,01,510	4,12,46,587
Plan Assets	5,72,15,534	5,05,46,180	4,65,24,285	4,06,13,531	3,69,10,416
Surplus/(Deficit)	( 67,06,170)	( 65,52,003)	( 63,57,993)	( 48,87,979)	( 43,36,171)
Experience adjustment - Plan Liabilities	( 5,58,248)	( 2,89,985)	16,35,600	14,28,043	38,37,338
Experience adjustment - Plan Assets	( 1,30,271)	( 4,29,858)	( 1,98,978)	( 2,22,430)	( 3,94,410)

The Company expects to fund ₹ 50 Lakhs towards its gratuity plan during the year 2019/20.

ii) Defined Contribution Plans:

The Company makes contribution towards employees' provident fund, family pension fund, superannuation fund and employees' state insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognised ₹ 2,71,55,970 as expense towards contributions to these plans.

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 35 Segment Information:

The Company has identified business segments as its primary segment. The Company has identified two reportable segments viz. Packet Tea & Coffee and Trading Activity. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting :

- a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable"

#### (i) Primary Segment Information

Amount in ₹

*Previous Year Figures have been shown in Italics below the current year figures.*

Particulars	Packet Tea & Coffee	Trade & Others	Services	Unallocable	Total
<b>Segment Revenue</b>					
External Revenue	527,33,93,427	278,83,60,276	41,29,04,938		847,46,58,641
	<i>471,23,39,263</i>	<i>298,70,60,874</i>	<i>44,99,29,263</i>		<i>814,93,29,401</i>
Inter-Segment Revenue					
<b>Total Revenue</b>	<b>527,33,93,427</b>	<b>278,83,60,276</b>	<b>41,29,04,938</b>		<b>847,46,58,642</b>
<b>Segment Result</b>	<b>33,37,31,817</b>	<b>3,03,42,142</b>	<b>1,45,05,492</b>		<b>37,85,79,450</b>
	<i>33,72,92,726</i>	<i>4,10,06,746</i>	<i>2,40,57,805</i>		<i>40,23,57,277</i>
Less: Unallocated Corporate Expenses over Income				<b>(16,28,461)</b>	<b>(16,28,461)</b>
				<i>(2,34,17,179)</i>	<i>(2,34,17,179)</i>
<b>Segment Result before Exceptional and non recurring items, interest and taxes</b>	<b>33,37,31,817</b>	<b>3,03,42,142</b>	<b>1,45,05,492</b>	<b>(16,28,461)</b>	<b>37,69,50,990</b>
	<i>33,72,92,976</i>	<i>4,10,06,746</i>	<i>2,40,57,805</i>	<i>(2,34,17,179)</i>	<i>37,89,40,348</i>
Less: Finance Costs				<b>(1,49,77,118)</b>	<b>(1,49,77,118)</b>
				<i>(83,55,581)</i>	<i>(83,55,581)</i>
<b>Segment Result before Exceptional and non recurring items, taxes</b>	<b>33,37,31,817</b>	<b>3,03,42,142</b>	<b>1,45,05,492</b>	<b>(1,66,05,579)</b>	<b>36,19,73,872</b>
	<i>33,72,92,726</i>	<i>4,10,06,746</i>	<i>240,57,805</i>	<i>(317,72,760)</i>	<i>37,05,84,517</i>
Less: Provision for Taxation				<b>(12,65,00,000)</b>	<b>(12,65,00,000)</b>
				<i>(13,75,00,000)</i>	<i>(13,75,00,000)</i>
Add: Deferred Tax Asset				<b>26,00,000</b>	<b>26,00,000</b>
				<i>(14,00,000)</i>	<i>(14,00,000)</i>
<b>Segment Result after Tax</b>	<b>33,37,31,817</b>	<b>3,03,42,142</b>	<b>1,45,05,492</b>	<b>(14,05,05,579)</b>	<b>23,80,73,872</b>
	<i>33,72,92,726</i>	<i>4,10,06,746</i>	<i>2,40,57,805</i>	<i>(16,78,72,760)</i>	<i>23,44,84,517</i>

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

(i) Primary Segment Information (Contd.)

Amount in ₹

*Previous Year Figures have been shown in Italics below the current year figures.*

Particulars	Packet Tea & Coffee	Trade & Others	Services	Unallocable	Total
<b>Other Information</b>					
Capital Employed	<b>69,80,74,290</b>	<b>49,17,96,879</b>	<b>7,61,49,205</b>	<b>(126,60,20,374)</b>	-
<i>(Segment Assets - Segment Liabilities)</i>	<i>12,59,70,808</i>	<i>40,20,27,945</i>	<i>7,83,48,915</i>	<b>(60,63,47,668)</b>	-
Capital Expenditure	<b>2,66,74,694</b>	<b>1,01,39,902</b>	-	-	<b>3,68,14,596</b>
	<i>1,51,69,325</i>	<i>91,77,277</i>	-	<i>16,73,512</i>	<i>2,60,20,114</i>
Depreciation	<b>1,40,21,655</b>	<b>63,16,211</b>	<b>16,94,531</b>	<b>59,94,762</b>	<b>2,80,27,159</b>
	<i>1,27,39,220</i>	<i>52,30,321</i>	<i>26,13,756</i>	<i>85,42,496</i>	<i>2,91,25,793</i>

(c) The reportable Segments are further described below :

The Packet Tea, Coffee and Premix of tea and coffee segment includes sale of tea and coffee in packet, bulk or value added forms.

The Trade segment includes trading of Cardamom, Dairy products, Roofing Materials and Aluminium & related Accessories.

The businesses, which were not reportable segments during the year, have been grouped under the "Services" segment.

This mainly comprises of Logistics and other C&F related activities.

Amount in ₹

**31.03.2019**                      **31.03.2018**

**36 Deferred Tax Asset**

Tax Impact of difference between carrying amount of Fixed Assets in the Financial Statements and the income tax returns	77,00,000	73,00,000
Tax impact of expenses charged in the financial statements but allowable as deduction in future years under Income Tax	1,46,00,000	1,24,00,000
Deferred Tax Asset	<b>2,23,00,000</b>	<b>1,97,00,000</b>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 37 Related Party Transactions:

Following Companies are related to the Company on account of common control through Constitution of Board / Shareholding :

- A V Thomas International Ltd.
- L.J. International Ltd.
- A V Thomas Investments Company Ltd. (Associate Company)
- The Midland Rubber & Produce Company Ltd.
- The Nelliampathy Tea & Produce Company Ltd.
- Neelamalai Agro Industries Ltd.
- AVT Natural Products Ltd.
- AVT McCormick Ingredients Private Ltd.
- AVT Holdings Private Ltd.
- Midland Latex Products Ltd.
- The Highland Produce Company Ltd.
- The Rajagiri Rubber & Produce Company Ltd.
- Dalp Trading and Manufacturing Ltd.
- A V Thomas Leather & Allied Products Private Ltd.
- A V Thomas Exports Ltd
- Aspera Logistics Private Ltd.
- Midland Corporate Advisory Services Private Ltd.
- Provision Value Gard Pvt Ltd
- AVT Gavia Foods Private Ltd. (Associate Company)
- AVT Tea Services Ltd UK
- AVT Tea Services North America LLC
- Alina Private Limited
- J. Thomas Educational & Benevolent Trust
- Midland Charitable Trust
- Dalp Benevolent Trust
- Rajagiri Impex Ltd.
- Madura Micro Finance Ltd.
- Dalp Holdings Singapore Pte Ltd
- Grover Zampa Vineyards Ltd
- AVT Naturals S.A DE C.V

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

Key Management Personnel - Mr.Ajit Thomas, Executive Chairman.  
Mr.Dilip Thomas, Executive Vice - Chairman

Amount in ₹

Details of Transactions:	31.03.2019		31.03.2018	
	Associate Companies/Trust	Key Management Personnel (Including Relatives)	Associate Companies/Trust	Key Management Personnel (Including Relatives)
<b>INCOME:</b>				
Sales	1,26,02,431	Nil	25,27,718	Nil
C&F and Warehousing Charges	5,92,42,486	Nil	4,98,24,968	Nil
Rent	1,40,552	Nil	1,35,000	Nil
Service Charges	60,000	Nil	60,000	Nil
Dividend Received	60,038	Nil	10,52,938	Nil
<b>EXPENDITURE:</b>				
Purchases	83,71,12,571	Nil	73,72,95,761	Nil
Rent	16,52,000	Nil	16,41,504	Nil
Comission Paid / C&F	1,06,34,556	Nil	Nil	Nil
Remuneration	Nil	2,07,96,400	Nil	1,95,70,600
Purchase of Fixed Assets	Nil	Nil	15,90,750	Nil
Professional Fee	Nil	Nil	4,00,000	Nil
Donation Paid	1,25,00,000	Nil	1,10,00,000	Nil
Dividend Paid	30,60,075	5,49,87,900	28,59,075	5,20,26,000
<b>OTHERS</b>				
Investments in Shares	15,55,94,400	Nil	16,15,83,028	Nil
Balance as on 31st March 2019				
Debit Balance	2,51,63,545	Nil	1,87,66,117	Nil
Credit Balance	5,86,96,863	Nil	5,07,75,630	Nil

**38** Consequent to introduction of Goods and Service Tax (GST) with effect from 01.07.2017, Excise Duty is no longer leviable on manufacture of goods and hence is not part of Gross Turnover with effect from 1st July 2017.

**39** During the year the amount of borrowing cost included under capital work in progress is Rs. 3,33,919

**40** Previous year's figures have been re-grouped wherever necessary.

Vide our Report of date attached  
For SURI & CO.

Chartered Accountants  
Firm's Regn.No: 004283S  
G. RENGARAJAN  
*Partner*

Membership No. 219922

For and on behalf of the Board

AJIT THOMAS  
*Executive Chairman*

PSHANKAR  
*Director*

Place : Chennai,  
Date : 10.06.2019

R.VENUGOPALAN  
*Chief Financial Officer*

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### Particulars of Profits, Provisions, Dividends etc., (For the last 10 years)

Year	Net Profit before taxation ₹	Depreciation written off ₹	Provision for taxation ₹	Share Holders funds ₹	DIVIDENDS PAID	
					Amount ₹	On Equity Shares Percentage %
2009-2010	26,12,48,072	1,48,30,382	9,25,00,000	57,10,42,245	7,05,30,000	1500
2010-2011	30,22,28,873	2,04,52,872	10,25,00,000	71,60,32,491	4,70,20,000	1000
2011-2012	32,69,11,547	1,98,80,516	11,00,00,000	87,82,96,218	4,70,20,000	1000
2012-2013	37,54,68,720	1,95,81,268	12,25,00,000	104,89,29,978	7,05,30,000	1500
2013-2014	34,81,23,326	1,84,82,775	12,10,00,000	119,35,36,730	7,05,30,000	1500
2014-2015	43,08,00,910	2,84,81,211	13,71,00,000	140,24,77,589	7,05,30,000	1500
2015-2016	43,32,44,110	2,60,85,592	15,20,00,000	159,88,33,449	7,05,30,000	1500
2016-2017	40,74,33,824	3,05,37,949	14,01,00,000	182,37,23,148	7,05,30,000	1500
2017-2018	37,05,84,517	2,93,70,712	13,61,00,000	197,33,19,415	3,52,65,000	750
2018-2019	36,19,73,872	2,82,59,833	12,39,00,000	212,63,65,633	3,52,65,000	750*
					3,52,65,000	750**

\* Interim Dividend Paid.

\*\* Final Dividend Recommended

# Consolidated Financial Statements



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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### INDEPENDENT AUDITOR'S REPORT

To

The Members of

A V THOMAS & COMPANY LIMITED, ALAPPUZHA

#### **Report on the consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of A V THOMAS & COMPANY LIMITED ("the Holding Company") and its associates (collectively referred to as 'the Group'), which comprise the consolidated balance sheet as at March 31<sup>st</sup> 2019, the Consolidated statement of profit and loss, consolidated statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (herein referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read along with the Companies Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the consolidated profit, consolidated total comprehensive income profit and its consolidated cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the *Code of Ethics*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Information Other than the consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the management report, its annexures, Board's Report including annexures, Director's Responsibility Statement, but does not include the consolidated Financial Statements and our Audit Report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If we conclude that there is a material misstatement of this other information, based on the work we have performed, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies;

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, The Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of Companies included in Group are also responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and its associate has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

### Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Company as on 31st March 2019 taken on record by the Board of Directors of the company and its associate companies incorporated in India and the reports of the statutory auditors of its associate company incorporated in India none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer our separate report in Annexure A, which is based on the auditor's reports of the Company and its associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements Rule 11 of the Companies (Audit and Auditors) Rules in our opinion and to the best of our information and according to the explanations given to us:
  - i. The holding company does not have any pending disclosed litigations which would impact its consolidated financial position in its financial statements.
  - ii. The company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2019
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate companies incorporated in India.

FOR SURI & CO.  
Chartered Accountants  
Firm's Regn.No: 004283S

G Rengarajan  
Partner  
Membership No. 219922

Place: Chennai  
Date : 10th June, 2019

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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### **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of A V THOMAS & COMPANY LIMITED , ALAPPUZHA of even date)**

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of A V THOMAS & COMPANY LIMITED, ALAPPUZHA (hereinafter referred to as “Company”) and its associate companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its associate companies , which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its associate companies, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control 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 dispositions of the assets of the company; (2) provide reasonable assurance that

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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 controls over financial reporting to future periods are subject to the risk that 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 and to the best of our information and according to the explanations given to us, the Company and its associates, which are companies incorporated in India, have, 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, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR SURI & CO.  
Chartered Accountants  
Firm's Regn.No: 004283S

G Rengarajan  
Partner  
Membership No. 219922

Place: Chennai  
Date : 10th June, 2019

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	NOTE NO.	Amount in ₹	
		31.03.2019	31.03.2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	47,02,000	47,02,000
(b) Reserves and Surplus	3	<u>203,60,97,372</u>	<u>188,59,66,742</u>
		<u>204,07,99,372</u>	<u>189,06,68,742</u>
<b>(2) Non-Current Liabilities</b>			
Long Term Borrowings	4	7,50,00,000	Nil
Long Term Provisions		2,04,49,881	2,07,18,296
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	5	Nil	Nil
(b) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises and		23,13,455	44,38,318
Total outstanding dues of creditors other than micro enterprises and small enterprises		45,29,67,646	48,59,15,075
(c) Other current liabilities		4,53,12,148	4,66,16,415
(d) Short-term provisions		16,40,66,216	17,16,01,253
		<u>66,46,59,465</u>	<u>70,85,71,061</u>
<b>TOTAL</b>		<b><u>280,09,08,718</u></b>	<b><u>261,99,58,099</u></b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant & Equipment			
(i) Tangible assets	6	24,93,00,306	25,74,80,331
(ii) Capital work-in-progress	39	11,50,94,868	1,19,19,916
(b) Non-current investments	7	63,60,61,689	48,52,75,850
(c) Deferred Tax Asset	8	2,23,00,000	1,97,00,000
<b>(2) Current Assets</b>			
(a) Current Investments	9	28,60,563	19,37,12,286
(b) Inventories	10	107,71,02,641	90,27,45,012
(c) Trade receivables	11	35,28,56,915	38,51,38,117
(d) Cash and cash equivalents	12	4,88,65,038	9,15,06,611
(e) Short-term loans and advances	13	29,19,51,851	25,97,00,226
(f) Other current assets - Accrued Income		45,14,847	1,27,79,750
		<u>177,81,51,855</u>	<u>184,55,82,002</u>
Significant Accounting Policies	1		
<b>TOTAL</b>		<b><u>280,09,08,718</u></b>	<b><u>261,99,58,099</u></b>

Notes 1 to 13, Notes 24 to 40 and Cash Flow Statement form part of this Balance Sheet

Vide our Report of date attached  
For SURI & CO.

Chartered Accountants  
Firm's Regn.No: 004283S  
G. RENGARAJAN

*Partner*

Membership No. 219922

For and on behalf of the Board

AJIT THOMAS  
*Executive Chairman*

PSHANKAR  
*Director*

Place : Chennai,  
Date : 10.06.2019

R.VENUGOPALAN  
*Chief Financial Officer*

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	NOTE NO.	Amount in ₹	
		31.03.2019	31.03.2018
I. Revenue from operations (Net of Excise Duty)	14	847,46,58,641	814,93,28,400
II. Other Income	15	4,46,88,999	2,03,07,717
III. <b>Total Revenue</b>	(I + II)	<u>851,93,47,640</u>	<u>816,96,36,117</u>
IV. Expenses:			
Cost of Materials Consumed	16	446,26,24,809	370,17,78,100
Purchase of Stock-in-Trade		208,00,41,343	250,19,10,007
Changes in Inventories of Finished Goods & Stock in Trade	17	(61,67,278)	(9,40,143)
Employee Benefit Expense	18	34,80,46,941	30,93,73,923
Finance Costs	19	1,49,77,117	83,55,581
Depreciation and amortization expense		2,82,59,833	2,93,70,712
Selling Expenses	20	88,16,86,632	94,94,60,381
Manufacturing Expenses	21	15,33,93,847	12,04,39,750
Other Expenses	22	19,45,10,524	17,93,03,289
<b>Total Expenses</b>		<u>815,73,73,768</u>	<u>779,90,51,600</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		36,19,73,872	37,05,84,517
VI. Exceptional / Extra ordinary items		Nil	Nil
VII. Profit before tax	(V - VI)	<u>36,19,73,872</u>	<u>37,05,84,517</u>
VIII. Tax expense:			
Current tax		12,65,00,000	13,75,00,000
Deferred tax		(26,00,000)	(14,00,000)
IX. Profit/(Loss) for the period	(VII- VIII)	<u>23,80,73,872</u>	<u>23,44,84,517</u>
X. Share of Profit/(Loss) of Associates		(29,15,588)	(1,39,70,340)
		<u>23,51,58,284</u>	<u>22,05,14,177</u>
XI. Earnings per equity share:			
(1) Basic	29	500.12	468.98
(2) Diluted	29	500.12	468.98

Notes 1 & 14 to 40 and Cash Flow Statement form part of this statement of Profit and Loss

Vide our Report of date attached  
For SURI & CO.

Chartered Accountants  
Firm's Regn.No: 004283S  
G. RENGARAJAN  
Partner

Membership No. 219922

For and on behalf of the Board

AJIT THOMAS  
Executive Chairman

P.SHANKAR  
Director

Place : Chennai,  
Date : 10.06.2019

R.VENUGOPALAN  
Chief Financial Officer

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items:	36,19,73,872	37,05,84,517
Adjustments for:		
Depreciation	2,82,59,833	2,93,70,712
Diminution in value of Investments	10,562	-
Profit on Sale of Assets / Investments	(2,59,51,434)	( 22,13,591)
Interest / Dividend Received	( 70,14,028)	(1,12,03,522)
Provision for Gratuity / Leave Encashment	48,18,739	9,79,798
Interest Paid	1,49,77,118	83,55,581
	<u>1,51,00,790</u>	<u>2,52,88,978</u>
Operating Profit before Working Capital Changes	37,70,74,662	39,58,73,495
Adjustments for:		
Trade Receivables	3,22,81,202	(4,67,85,033)
Inventories	(17,43,57,629)	(20,51,06,044)
Trade Payables	(3,50,72,293)	26,47,79,683
Other current liabilities	47,709	(2,38,95,436)
Other current assets	81,16,920	(7,55,17,264)
	<u>(16,89,84,091)</u>	<u>(8,65,24,094)</u>
Cash Generated from Operations	20,80,90,571	30,92,49,401
Direct Taxes Paid	(13,30,51,269)	(13,32,74,226)
<b>Net Cash from Operating Activities</b>	<u>7,50,39,302</u>	<u>17,59,75,175</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sales of Fixed Assets	1,74,07,985	92,141
Purchase of Fixed Assets	(13,99,89,547)	(3,79,40,030)
Interest / Dividend Received	1,52,78,931	82,23,042
Purchase of Investments	(15,95,88,993)	(49,11,51,597)
Sale of Investments	22,20,06,962	30,00,32,026
<b>Net Cash From Investing Activities</b>	<u>(4,48,84,662)</u>	<u>(22,07,44,418)</u>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	Amount in ₹	
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
Term Loan	7,50,00,000	Nil
Interest Paid	(1,49,77,118)	(83,55,581)
Dividend Paid (Including tax on Dividend)	(8,63,79,629)	(8,47,45,025)
<b>Net Cash From Financing Activities</b>	<u>(2,63,56,747)</u>	<u>(9,31,00,606)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<u>37,97,893</u>	<u>(13,78,69,849)</u>
Cash and Cash Equivalents as at 01.04.2018	3,67,07,669	17,45,77,518
Cash and Cash Equivalents as at 31.03.2019	<u>4,05,05,563</u>	<u>3,67,07,669</u>
	<u>37,97,893</u>	<u>(13,78,69,849)</u>

Vide our Report of date attached  
For SURI & CO.

Chartered Accountants  
Firm's Regn.No: 004283S  
G. RENGARAJAN  
*Partner*

Membership No. 219922

Place : Chennai,  
Date : 10.06.2019

For and on behalf of the Board

AJIT THOMAS  
*Executive Chairman*

PSHANKAR  
*Director*

R.VENUGOPALAN  
*Chief Financial Officer*

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### Note 1:

#### NOTES ON CONSOLIDATED ACCOUNTS FOR YEAR ENDED 31ST MARCH 2019

#### SIGNIFICANT ACCOUNTING POLICIES

**Background:** A.V.Thomas & Co. Ltd., was incorporated in India during the year 1935 with main business being Trading, Manufacturing and Exports. The main divisions under the company are Consumer Products Division and Trading & Services.

**a. ACCOUNTING CONVENTION:**

The Financial Statements have been prepared on a going concern basis under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles, accounting standards notified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

**b. CURRENT AND NON-CURRENT CLASSIFICATION:**

All Assets and liabilities has been classified as Current or Non-Current as per the Company's normal operating cycle (12 months) and other criteria set out in Schedule III to the Act.

**c. PRINCIPLES OF CONSOLIDATION:**

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Companies (Accounts) Rules, 2014.

Associates are entities over which the group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost and the carrying amount is increased or decreased to recognize the investor's share of profit or loss of the investee after the acquisition date. The group's investment includes goodwill identified on acquisition.

During the year the company has consolidated its financials with its Associates A.V.Thomas Investments Co.Ltd., (48.77% Holding) and AVT Gavia Foods Private Limited (50% Holding) under Equity Method and the carrying value has been disclosed in note No. 7

**d. PROPERTY, PLANT AND EQUIPMENT:**

Property, Plant and Equipment has stated at cost less accumulated depreciation and accumulated impairment loss based on cost model. The cost of an item of property, plant and equipment is recognised as an asset when:

- i) It is probable that future economic benefits associated with the item will flow to the enterprise. and
- ii) The cost of the item can be measured reliably.

Cost includes, taxes and duties (but does not include taxes and duties for which GST credit is available), freight and other direct or allocated expenses during construction period, net of any income earned. Assets acquired on hire purchase are capitalised at principal value.

Property, plant and equipments are depreciated on written down value method adopting the useful life specified in Schedule II of the Companies Act 2013. Assets costing individually less than Rs.5000/- are depreciated at 100% in the year of purchase. Depreciation for Assets purchased/sold during the period is proportionately charged.

Intangible Assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to Company for its use. Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

**e. IMPAIRMENT OF ASSETS:**

The Company reviews the carrying amounts of its assets for any possible impairment at each balance sheet date. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount and the impairment loss, if any, is recognised in the Statement of Profit and Loss.

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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**f. BORROWING COSTS:**

Borrowing costs that are directly attributable to the acquisition/construction of the qualifying asset are capitalised as a part of cost of such asset, upto the date of acquisition/completion of construction.

Other borrowing costs are recognised as expense as and when incurred.

**g. INVESTMENTS:**

Long term Investments are stated at cost. Decline in value of long term investments, other than temporary, is provided for. Current Investments are stated at lower of cost and fair value. Investment in Immovable properties is stated at cost less depreciation.

**h. INVENTORIES:**

Inventories are valued at lower of cost on weighted average/FIFO basis and net realisable value, after providing for obsolescence considered necessary. Cost includes taxes and duties (other than duties and taxes for which GST credit is available), freight and other direct expenses.

**i. REVENUE RECOGNITION:**

Revenue is recognised on their accrual and when no significant uncertainty on measurability or collectability exists. Expenditure is accounted for on their accrual.

**Sale of Goods:**

Revenue is recognised when all the significant risks and rewards of ownership of the goods have been passed on to the buyer, usually on delivery of goods. The Company collects GST on behalf of the Government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

**Income from Services:**

Revenue from Services are recognised over the period as and when the services are rendered. The Company collects GST on behalf of the Government and, therefore it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

**Interest:**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the Statement of Profit and Loss.

**Dividends:**

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

**j. EMPLOYEE BENEFITS:**

Gratuity liability, which is a defined benefit scheme and provision for leave encashment is accrued and provided for on the basis of independent actuarial valuation based on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognised in the Statement of Profit and Loss and are not deferred.

Retirement benefits in the form of Provident Fund, Family Pension Fund and Superannuation Schemes, which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when the contribution to the respective fund accrue.

**k. FOREIGN CURRENCY TRANSACTIONS:**

Foreign currency transactions are recorded at the rates of exchange in force at the time the transactions are effected. The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates and the resultant gain or loss is dealt within the Statement of Profit and Loss on completion of the transaction. Monetary items denominated in foreign currency and outstanding at the Balance sheet date are converted at the year end exchange rate and the resultant gain or loss is dealt with in the Statement of Profit and Loss.

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## **A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA**

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### **I. GOVERNMENT GRANTS**

Subsidies from Government in respect of fixed assets are deducted from the cost of respective assets as and when they accrue. Subsidies related to revenue are recognised in the Statement of Profit and Loss to match them with the related costs which they are intended to compensate.

### **m. TAXES ON INCOME:**

Provision for Income-Tax is made for both current and deferred tax. Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax is accounted for by computing the tax effect of the timing difference which arise during the year and reverse out in the subsequent periods. Deferred tax is calculated at the tax rates substantively enacted by the Balance sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realised.

### **n. EARNINGS PER SHARE:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share holders by the weighted average number of equity share holders outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, bonus element in a right issue, share split and reverse share split.

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

### **o. PROVISIONS & CONTINGENT LIABILITY:**

Provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting period and adjusted to reflect the current best estimates.

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future event beyond the control of the Company or a present obligation that is not recognised because it is not probable that an out flow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise contingent liability but discloses its existence in financial statements.

Contingent Assets are neither recognised nor disclosed.

### **p. DIVIDEND**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### **q. CASH FLOW STATEMENT:**

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of

- (i) Transactions of a non-cash nature.
- (ii) Any deferrals or accruals of past or future operating cash receipts or payments and
- (iii) Items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in Cash Flow Statement.

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

		Amount in ₹	
		31.03.2019	31.03.2018
<b>NOTE - 2:</b>			
<b>SHARE CAPITAL</b>			
a.	AUTHORISED 20,00,000 Equity Shares of ₹10/- each	2,00,00,000	2,00,00,000
b.	ISSUED, SUBSCRIBED AND PAID-UP 4,70,200 Equity Shares of ₹10/- each	47,02,000	47,02,000
c.	Reconciliation of shares outstanding at the beginning and at the end of the reporting year		
	Number of shares at the beginning of the year	4,70,200	4,70,200
	Add/(Less) shares issued / buyback etc.	Nil	Nil
	Number of shares at the end of the year	4,70,200	4,70,200
d.	Details of shareholders holding more than 5% of equity shares.		
		31.03.2019	31.03.2018
	Name of the shareholder	No of Shares Held	No of Shares Held
		% of Holding	% of Holding
	Mr.Ajit Thomas	2,12,612	2,08,566
	Mr.Dilip Thomas	1,57,020	1,53,274
		45.22	44.36
		33.39	32.60
e.	No Bonus shares / Buy back of shares in the immediately preceding 5 years		
f.	The Company has only one class of Shares which is Equity Shares. Each Holder of Equity Shares is entitled for one vote in proportion to the number of shares held		
g.	Shares reserved under option and contract/commitments for sale of shares/disinvestment - Nil (Nil)		
h.	The aggregate value of calls unpaid (including Directors and Officers of the Company) - Nil (Nil)		
<b>NOTE - 3:</b>			
		31.03.2019	31.03.2018
<b>RESERVES AND SURPLUS</b>		₹	₹
<b>GENERAL RESERVE:</b>			
	As per last Balance Sheet	152,14,11,010	
	Add: Transfer from Statement of Profit and Loss	10,00,00,000	
		162,14,11,010	152,14,11,010
	Surplus/(deficit) in the statement of Profit and Loss		
	Balance as per last financial statements	36,45,55,732	32,89,29,805
	Profit for the year	23,51,58,284	22,05,14,177
		59,97,14,016	54,94,43,982
<b>Less: Appropriations</b>			
	Final Dividend on Equity Shares for FY 17-18 @ ₹75 per share (Previous year ₹75 per Share)	3,52,65,000	3,52,65,000
	Tax on Final Dividend for FY 17-18	72,48,827	71,79,125
	Interim Dividend on Equity shares for FY 18-19 @ ₹ 75 per share (Previous year ₹75 )	3,52,65,000	3,52,65,000
	Tax on Interim Dividend for FY 18-19	72,48,827	71,79,125
	Transfer to General Reserve	10,00,00,000	10,00,00,000
		18,50,27,654	18,48,88,250
	Net surplus in the Statement of Profit and Loss	41,46,86,362	36,45,55,732
	<b>Total reserves and surplus</b>	203,60,97,372	188,59,66,742

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 4:</b>		
<b>NON CURRENT LIABILITIES</b>		
<b>Long Term Borrowings - Secured - From Banks</b>	7,50,00,000	Nil
The Company's borrowing facilities comprising of Term Loan of 975 Lakhs for the Roofing Pipe Profiling Unit against first charge on the project assets including 3.78 acres of industrial lease hold land Repayable in 60 Equal monthly instalments starting from April 2020 and the last instalment falling due on March 2025. (Rate of interest - 8.4% per annum) Period and amount of default as on 31.03.2019 - Nil		
No loan have been guaranteed by Directors or Others		
<b>Long term Provisions</b>		
<b>Provision for Employee benefits (Refer Note:34)</b>		
Provision for Gratuity	3,31,677	2,84,632
Provision for Leave Encashment	2,01,18,204	2,04,33,664
	2,04,49,881	2,07,18,296
<b>NOTE - 5:</b>		
<b>CURRENT LIABILITIES</b>		
(a) Short term borrowings	Nil	Nil
The company's borrowing facilities comprising cash credit and other facilities of Rs.4860 Lakhs (Rs.4860 Lakhs) secured by hypothecation of inventories and book debts and equitable mortgage of land & building at Bodinaikanur. No loans have been guaranteed by Directors or Others Period and amount of continuing default as on 31-03-2019 - Nil		
(b) Trade payables		
(Refer Note: 28 for Details of dues to micro and small enterprises)		
Total outstanding dues of Micro Enterprises and Small Enterprises and Total outstanding dues of creditors other than micro enterprises and small enterprises	23,13,455	44,38,318
	45,29,67,646	48,59,15,075
(c) <b>Other Current Liabilities</b>		
- interest accrued and due on borrowings	1,61,390	-
- Unclaimed Dividend	53,69,075	67,11,300
- Refund of Capital	Nil	9,750
- Other Current Liabilities	3,97,81,683	3,98,95,365
	4,53,12,148	4,66,16,415
(d) <b>Short term Provisions</b>		
<b>Provision for Employee benefits (Refer Note: 34)</b>		
Provision for Gratuity	67,06,170	65,52,003
Provision for Leave Encashment	1,21,94,874	72,61,887
<b>Other provisions</b>		
Provision for Taxation	14,51,65,172	15,77,87,363
	16,40,66,216	17,16,01,253

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2019

**NOTE - 6:**  
**PROPERTY, PLANT & EQUIPMENT :** Amount in ₹

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 1.4.2018	Additions	Deductions	As at 31.3.2019	Upto 31.3.2018	For the Year	Withdrawn	Upto 31.3.2019	As at 31.3.2019	As at 31.3.2018
Land *	11,05,11,365	Nil	1,64,18,025	9,40,93,340	Nil	Nil	Nil	Nil	9,40,93,340	11,05,11,365
Agricultural Land	1,63,06,667	Nil	Nil	1,63,06,667	Nil	Nil	Nil	Nil	1,63,06,667	1,63,06,667
Buildings *	9,52,04,032	1,66,61,614	1,55,089	11,17,10,557	5,62,73,615	45,59,196	75,713	6,07,57,098	5,09,53,459	3,89,30,417
Plant & Equipment	17,66,04,420	1,50,89,471	50,000	19,16,43,891	11,93,85,867	1,21,41,524	47,500	13,14,79,891	6,01,64,000	5,72,18,553
Furniture & Fixtures	2,20,42,233	3,20,519	Nil	2,23,62,752	1,65,82,168	13,64,343	Nil	1,79,46,511	44,16,241	54,60,065
Vehicles	8,73,07,696	47,42,990	57,72,249	8,62,78,437	5,82,54,432	99,62,096	53,04,690	6,29,11,838	2,33,66,599	2,90,53,264
<b>TOTAL</b>	<b>50,79,76,413</b>	<b>3,68,14,594</b>	<b>2,23,95,363</b>	<b>52,23,95,644</b>	<b>25,04,96,082</b>	<b>2,80,27,159</b>	<b>54,27,903</b>	<b>27,30,95,338</b>	<b>24,93,00,306</b>	<b>25,74,80,331</b>
<i>Previous Year</i>	48,29,09,660	2,60,20,114	9,53,361	50,79,76,413	22,22,40,304	2,91,25,793	8,70,015	25,04,96,082	25,74,80,331	26,06,69,354

\* Includes ₹.1,39,969 and ₹.11,14,410 respectively representing cost of Land and Buildings in Joint Ownership with other Companies, the book value of which amounted to ₹.1,39,969 and ₹.2,10,719.

# A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

### NOTE - 7: NON-CURRENT INVESTMENTS : (LONG TERM)-VALUED AT COST

Description	As at 1-4-2018		Additions		Deductions		As at 31-3-2019	
	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹
<b>I. Investment in Equity Instruments</b>								
<b>A. QUOTED</b>								
Equity Shares - Fully Paid - up Fertilizers & Chemicals (Travancore) Ltd.	5	19	Nil	Nil	Nil	Nil	5	19
		<u>19</u>						<u>19</u>
<b>B. UNQUOTED</b>								
Equity Shares - Fully Paid - up:								
Chemical Willingdon Corporate Foundation	30	300	Nil	Nil	Nil	Nil	30	300
L.J.International Limited	32,200	61,582	Nil	Nil	Nil	Nil	32,200	61,582
A.V.Thomas Investments Co. Ltd.(Associate Company) Add: Share of Profit/(loss) of the Associate	1,19,480	81,43,957	Nil	Nil	Nil	Nil	1,19,480	81,43,957
		<u>84,17,575</u>						<u>84,17,575</u>
The Midland Rubber & Produce Co. Ltd	500	16,60,300	Nil	Nil	500	16,60,300	Nil	Nil
AVT Gavia Foods Pvt. Ltd (Associate Company) * Add: Share of Profit/(loss) of the Associate	1,10,00,000	2,04,48,583	10,00,000	1,00,00,000	Nil	Nil	1,20,00,000	3,04,48,583
		<u>2,72,59,377</u>						<u>2,72,59,377</u>
Madura Micro Finance Ltd	11,59,435	45,00,00,318	Nil	Nil	Nil	Nil	11,59,435	45,00,00,318
Grover Zampa Vineyards Ltd		<u>48,03,15,040</u>	22,25,463	14,55,94,400	Nil	Nil	22,25,463	14,55,94,400
		<u>63,13,33,552</u>		<u>16,60,300</u>		<u>16,60,300</u>		<u>63,13,33,552</u>
<b>II. Investment Properties</b>								
* Being Private Limited Company, transfer of shares is restricted U/s 2(68)(i) of the Companies Act, 2013								
Value of Land		3,07,325						3,07,325
Value of Building (including Fittings and Fixtures)		1,07,25,437						1,07,25,437
		<u>1,10,32,762</u>						<u>1,10,32,762</u>
Less: Depreciation		60,71,971						60,71,971
		<u>49,60,791</u>						<u>49,60,791</u>
		<u>48,52,75,850</u>						<u>48,52,75,850</u>
<b>TOTAL</b>								
Aggregate amount of Quoted Investments (Market Value ₹ 255 P.Y. ₹ 206)		19						19
Aggregate amount of Unquoted Investments		48,03,15,040						48,03,15,040
Value of Investment Properties		1,10,32,762						1,10,32,762
Aggregate provision for depreciation in value of immovable properties		(60,71,971)						(60,71,971)
		<u>48,52,75,850</u>						<u>48,52,75,850</u>

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

**NOTE - 8:**

	31.03.2019 ₹.	31.03.2018 ₹.
<b>DEFERRED TAX ASSET (NET)</b>		
(Refer Note : 36)		
Deferred Tax Assets	2,23,00,000	1,97,00,000
Deferred Tax Asset	<b>2,23,00,000</b>	<b>1,97,00,000</b>

**NOTE - 9:**

**CURRENT INVESTMENTS : (Valued at Lower of Cost and Fair value)**

Description	As at 1-4-2018		Additions		Deductions		As at 31-3-2019	
	No. of Shares/Units	Amount ₹.	No. of Shares/Units	Amount ₹.	No. of Shares/Units	Amount ₹.	No. of Shares/Units	Amount ₹.
<b>QUOTED</b>								
<b>IN MUTUAL FUNDS :</b>								
ICICI Short term Plan - Regular Growth	17,80,194	4,25,75,471	Nil	Nil	17,80,194	4,25,75,471	Nil	Nil
Reliance Arbitrage Advantage Fund (Monthly Dividend)	1,16,46,951	12,39,53,766	2,86,287	30,28,290	1,19,33,238	12,69,82,056	Nil	Nil
ICICI Equity Arbitrage Fund - Reg. Div	18,54,308	2,55,50,225	71,092	9,66,302	17,15,384	2,36,45,402	2,10,016	28,71,125
IDFC Ultra Short Term Fund	70,477	16,32,823	Nil	Nil	70,477	16,32,823	Nil	Nil
Less : Diminution in value							Nil	(10,562)
	<b>1,53,51,930</b>	<b>19,37,12,285</b>	<b>3,57,379</b>	<b>39,94,593</b>	<b>1,54,99,293</b>	<b>19,48,35,752</b>	<b>2,10,016</b>	<b>28,60,563</b>

Aggregate amount of Quoted Investments

(Market Value ₹ 28,60,563 P.Y. ₹ 21,47,19,284 )

19,37,12,285

28,60,563

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 10 :</b>		
<b>INVENTORIES:(Valued at lower of cost and net realisable value)</b>		
Raw Materials	61,00,04,970	50,14,43,812
Stores and Spares	7,77,24,778	6,15,23,811
Finished Goods		
- Packed Tea	10,39,04,672	7,65,45,961
- Packed Coffee	42,42,175	36,41,431
- Premix	7,02,393	15,92,523
- Roofing Sheets	27,12,302	1,26,32,060
Stock in Trade		
- Roofing Sheets & Others	19,57,60,564	20,60,40,460
Goods in Transit	8,20,50,787	3,93,24,954
	<u>107,71,02,641</u>	<u>90,27,45,012</u>
 <b>NOTE - 11:</b>		
<b>TRADE RECEIVABLES</b>		
<b>(A) Trade receivables outstanding for more than six months from the date they become due for payment</b>		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	2,74,44,536	2,36,51,354
(iii) Doubtful	9,59,316	9,59,316
	<u>2,84,03,852</u>	<u>2,46,10,670</u>
Less : Allowances for Bad and Doubtful Debt	9,59,316	9,59,316
	<u>2,74,44,536</u>	<u>2,36,51,354</u>
 <b>(B) Trade receivables ( others)</b>		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	32,54,12,379	36,14,86,763
(iii) Doubtful	Nil	Nil
(Refer Note : 27 for Details of Debts due by Private Limited Companies in which Director/s are interested as Directors)	<u>32,54,12,379</u>	<u>36,14,86,763</u>
<b>Total</b>	<u><b>35,28,56,915</b></u>	<u><b>38,51,38,117</b></u>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 12:</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Cash and Stamps on hand	6,85,584	4,74,040
Balance with banks		
- In Current Account	3,85,34,744	3,50,16,264
- In Deposit Account	12,85,235	12,17,365
	<u>4,05,05,563</u>	<u>3,67,07,669</u>
- In Dividend / Refund of Capital Account	53,69,075	67,21,050
- In Margin Money Deposit for Issue of Letters of Credit and Guarantee	29,90,400	4,80,77,892
	<u>83,59,475</u>	<u>5,47,98,942</u>
<b>Total</b>	<u>4,88,65,038</u>	<u>9,15,06,611</u>
Bank deposit with more than 12 months maturity	10,25,000	10,35,000

**NOTE - 13:**

**SHORT TERM LOANS & ADVANCES:**

Considered good - Unsecured		
Advances recoverable in cash or in kind or for value to be received		
	2,49,01,970	2,46,74,574
Input tax credit receivable	9,83,89,983	7,92,68,425
Tax payments pending adjustment	13,03,84,634	13,64,55,556
Advance to Suppliers	2,22,64,705	36,70,351
Deposits	1,56,85,384	1,52,50,621
Balance with Customs, Port Trust etc.,	3,25,175	3,80,699
	<u>29,19,51,851</u>	<u>25,97,00,226</u>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 14:</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>SALE OF PRODUCTS</b>		
- Tea, Coffee & Premix	537,16,54,982	482,09,95,555
- Traded Goods	207,78,58,291	270,60,75,551
- Roofing Materials	70,54,11,798	26,97,31,568
Less : Excise Duty		(90,57,487)
	815,49,25,071	778,77,45,187
Less : Trade Discount	10,48,35,452	11,89,67,826
	805,00,89,619	766,87,77,361
<b>SALE OF SERVICES - Logistics</b>	41,29,04,937	44,99,28,263
<b>OTHER OPERATING REVENUE</b>		
Export Incentives	1,16,64,085	3,06,22,776
	847,46,58,641	814,93,28,400
 <b>NOTE - 15:</b>		
<b>OTHER INCOME :</b>		
Interest	29,59,397	33,82,016
Income from Investments - Long term	60,038	10,52,937
Income from Investments - Short term	39,94,592	67,68,569
Rent	1,64,552	1,59,000
Service Income	60,000	60,000
Profit on Sale of Current Investments	2,55,10,910	22,04,796
Profit on Sale of Tangible Assets	4,40,525	8,795
Insurance Claims	42,21,212	2,89,809
Exchange Fluctuation Gain	3,40,890	19,05,016
Miscellaneous Income	69,36,883	44,76,779
	4,46,88,999	2,03,07,717

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 16:</b>		
<b>COST OF MATERIALS CONSUMED: (Refer Note 23)</b>		
Garden Tea	361,84,35,811	313,12,72,803
Coffee	6,23,49,610	6,46,65,539
Chicory	1,83,20,602	1,64,22,930
Roofing Materials	50,11,84,601	23,96,63,927
Premix	2,07,93,179	1,57,66,922
Packing & Other Materials	24,15,41,006	23,39,85,979
	446,26,24,809	370,17,78,100
<b>NOTE - 17:</b>		
<b>CHANGES IN INVENTORIES</b>		
<b>INCREASE(-) / DECREASE (+) IN STOCK</b>		
<b>Opening Stock</b>		
Packed Tea	7,65,45,961	7,37,20,405
Packed Coffee	36,41,431	28,23,093
Traded Goods	22,02,65,043	22,29,68,794
	30,04,52,435	29,95,12,292
<b>Closing Stock</b>		
Packed Tea	10,39,04,672	7,65,45,961
Packed Coffee	42,42,175	36,41,431
Traded Goods	19,84,72,866	22,02,65,043
	30,66,19,713	30,04,52,435
	(61,67,278)	(9,40,143)
<b>NOTE- 18:</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	29,49,97,287	26,46,43,847
Contribution to Provident and Other Funds	3,29,52,876	3,16,36,436
Provision for Gratuity (Refer Note 34)	2,01,212	2,14,284
Provision for Leave Encashment (Refer Note 34)	46,17,527	7,65,514
Welfare	1,52,78,039	1,21,13,842
	34,80,46,941	30,93,73,923
<b>NOTE- 19:</b>		
<b>FINANCE COST</b>		
Interest Expenses	1,49,77,117	83,55,581
	1,49,77,117	83,55,581

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>NOTE - 20: SALES EXPENSES:</b>		
Sales Tax	Nil	2,46,251
Freight & Transport	16,58,12,621	16,81,57,884
Shipment Expenses	35,23,21,563	38,02,13,661
Insurance	21,00,000	25,47,654
Commission	99,79,781	2,63,20,813
Advertisement	8,51,08,151	11,15,32,774
Consumer Offer	9,01,01,451	7,57,18,900
Discounts to Consumers	8,74,36,350	10,11,35,850
Dealer incentives	5,55,77,655	6,30,26,103
Business Promotion	3,32,49,060	2,05,60,491
	88,16,86,632	94,94,60,381
<b>NOTE - 21: MANUFACTURING EXPENSES</b>		
Packing charges	10,60,01,431	7,69,06,055
Power and Fuel	55,43,757	48,32,465
Rent	2,50,10,639	2,44,85,332
Repairs and Maintenance		
- Buildings	83,93,428	56,01,842
- Machinery	84,44,592	86,14,056
	15,33,93,847	12,04,39,750
<b>NOTE - 22: OTHER EXPENSES</b>		
Power and Fuel	33,89,519	33,81,485
Rent	1,61,56,880	1,57,89,958
Rates and Taxes	31,16,034	60,79,015
Insurance	38,32,121	36,85,545
Travelling Expenses	5,16,46,652	4,50,34,391
Repairs and Maintenance		
- Buildings	62,23,272	73,84,297
- Machinery	77,25,871	58,46,306
- Vehicles	1,70,23,247	1,51,14,359
- Others	8,79,490	6,85,035
Directors' Sitting Fees	9,00,000	9,90,000
Payment to Statutory Auditors		
- As Auditors	20,00,000	20,00,000
- For Tax Audit /Certification	11,90,500	8,86,326
- For Reimbursement of expenses	1,15,000	1,15,000
CSR Expenditure (Refer Note: 33)	77,50,000	84,58,000
Diminution in value of investments	10,562	Nil
Loss on Sale of Plant Property & Equipment	26,02,592	Nil
Professional and Legal Fees	1,97,17,491	1,80,57,650
Miscellaneous Expenses	5,02,31,293	4,57,95,922
	19,45,10,524	17,93,03,289

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

		31.03.2019		31.03.2018	
<b>NOTE - 23:</b>					
<b>PARTICULARS OF MATERIALS CONSUMPTION</b>					
<b>Materials Consumed</b>	<b>Qty (MT)</b>	<b>Value</b>	<b>Qty (MT)</b>	<b>Value</b>	
Garden Tea	%	₹	%	₹	
Indigenous	99.70	360,77,54,703	100	313,12,72,803	
Imported	0.30	1,06,81,108			
		361,84,35,811		313,12,72,803	
Roofing Materials					
Indigenous	100	50,11,84,601	100	23,96,63,927	
Raw Coffee and Chicory					
Indigenous	100	8,06,70,212	100	8,10,88,469	
Premix					
Indigenous	100	2,07,93,179	100	1,57,66,922	
Packing and Other Materials					
Indigenous	100	24,15,41,006	99.89	23,37,33,571	
Imported		-	0.11	2,52,408	
		24,15,41,006		23,39,85,979	
Amount in ₹					
		<b>31.03.2019</b>			<b>31.03.2018</b>
<b>24 Earnings in Foreign Exchange</b>					
F.O.B. Value of Exports		19,00,04,898		67,71,10,850	
<b>25 Expenditure in Foreign Currency</b>					
Travelling		51,29,782		47,39,194	
Commission		53,83,558		2,60,10,073	
Advertisement & Sales Promotion		7,87,839		19,96,703	
<b>26 CIF Value of Imports</b>					
Garden Tea		1,06,81,108		Nil	
Capital Goods		35,91,239		28,10,032	
Stock in Trade		Nil		1,04,75,933	
Packing Materials		Nil		2,52,408	
Stores and Spares		8,94,807		Nil	

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

		Amount in ₹	
		31.03.2019	31.03.2018
<b>27</b>	<b>Sundry Debtors include</b>		
	Debts due by Private Limited Companies in which Director/s are interested as Director/s.		
	AVT McCormick Ingredients Private Limited	75,86,551	33,64,541
	A V Thomas Leather & Allied Products Private Limited	58,51,220	26,01,347
	AVT Gavia Foods Private Limited	Nil	2,35,919
	Alina Private Limited	38,75,994	55,75,776
	AVT Holdings Private Limited	Nil	14,160
	Aspera Logistics Pvt. Ltd.	Nil	14,160
	Midland Corporate Advisory Service Ltd.	Nil	14,160
	Provision Value Gard Pvt. Ltd.	Nil	14,160
<b>28</b>	<b>Total outstanding to Micro &amp; Small Enterprises (SMEs)</b>		
	The information regarding dues to Micro, Small and Medium Enterprises as required under Micro, Small & Medium Enterprise Development (MSMED) Act, 2006 as on 31st March 2019 is furnished below:		
(a)	The Principal amount and the interest due there on remaining unpaid to any supplier as at the end of the accounting year		
	(i) Principal due to Micro & Small Enterprise	23,13,455	44,38,318
	(ii) Principal due to Medium Enterprise	26,25,540	6,14,495
	(iii) Interest	Nil	Nil
(b)	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(c)	The amount of interest due and payable for the period (Where the principal has been paid but interest under the MSMED Act, 2006 not paid)	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(e)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	Nil	Nil
<b>29</b>	<b>Earnings Per Share</b>		
	Profit after Taxation	23,51,58,284	22,05,14,177
	Number of Equity Shares outstanding at the end of the year	4,70,200	4,70,200
	Earnings per share (Basic and Diluted)	500.12	468.98

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Amount in ₹	
	31.03.2019	31.03.2018
<b>30 Contingent Liabilities and Commitments</b>		
Tax Disputed -(KGST, CST, & ENTRY TAX, Service Tax, Income Tax)	Nil	Nil
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,54,45,132	18,19,466

#### 31 DIVIDEND

The Board of Directors in its meeting on 10th June 2019, have proposed a final dividend of Rs.75 Per Equity Share for financial year ended 31st March 2019. The proposal is subject to the approval of Shareholders at the Annual General Meeting to be held on 22nd August 2019 and if approved, would result in a cash out flow of approximately Rs.4.25 Crores including corporate dividend tax

#### 32 EXIT OFFER TO THE SHAREHOLDERS OF THE COMPANY

The Board of Directors of the Company along with its Promoters, decided in its meeting held on 10th February, 2017 to provide Exit Offer to the existing public shareholders. The Exit Offer period concluded on 14th October, 2018

In this regard the Promoters of the Company, has acquired 23492 number of public shares from the share holders which constitutes to 4.99 % of the total share capital

##### PARTICIPATION AS A PROMOTER - IN EXIT OFFER

The Board of Directors of the company in its meeting held on 10th February, 2017, has decided to participate in the Exit Offer of one of the Group Company namely, The Midland Rubber & Produce Co.Ltd. The exit offer of the group company concluded on 14th October 2018

The company had given a Bank Gaurantee to the National Stock Exchange Limited, which was released subsequent to the closure of Exit offer.

#### 33 Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act 2013, CSR Committee has been formed by the company.

The areas of CSR activities are promoting Health Care, Rural Development projects and rehabilitation programs

(a) Gross Amount required to be spent by the Company during the year ₹ 77,50,000 (PY ₹ 84,58,000)

(b) Amount Spent during the Year:

Particulars	in Cash ₹	Yet to be paid cash	Total ₹
(i) Construction /acquisition of any asset	Nil	Nil	Nil
(ii) On purposes other than (i) above			
(a) Empowerment of Women & Children	16,50,000	Nil	16,50,000
(b) Rehabilitation Programs	26,00,000	Nil	26,00,000
(c) Health Care	10,00,000	Nil	10,00,000
(d) Environmental Sustainability	5,00,000	Nil	5,00,000
(e) Education & employment	20,00,000	Nil	20,00,000
<b>Total</b>	<b>77,50,000</b>		<b>77,50,000</b>

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 34 Employee Benefits:

l) Defined Benefit Plans:

a) Description of the Company's Defined Benefit Plan:

i) Gratuity Scheme:

This is a funded defined benefit plan for qualifying employees for which, the Company makes contribution to the Gratuity Fund managed by the Life Insurance Corporation of India. The Scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

ii) Leave Encashment:

The Company also operates a non funded leave encashment scheme for its employees.

b) Reconciliation of changes in the Present Value of Obligation:

	31.3.2019		31.3.2018	
	Gratuity (Funded Plan) ₹	Leave Encashment (Non Funded Plan) ₹	Gratuity (Funded Plan) ₹	Leave Encashment (Non Funded Plan) ₹
Present Value of the Obligation at beginning of period	5,70,98,183	2,76,95,551	5,28,82,278	2,69,30,037
Current Service Cost	49,49,921	53,52,253	43,63,701	50,53,280
Interest Cost	41,07,023	18,40,747	35,02,036	16,70,070
Benefits Paid	( 16,75,175)	( 49,59,666)	( 33,65,847)	( 50,27,614)
Actuarial loss / (gain)	( 5,58,248)	23,84,193	( 2,83,985)	( 9,30,222)
Present Value of the Obligation as at end of the period	6,39,21,704	3,23,13,078	5,70,98,183	2,76,95,551

c) Reconciliation of changes in the fair value of Plan Assets:

Fair Value of Plan Assets at beginning of period	5,05,46,180	Nil	4,65,24,285	Nil
Expected return on plan assets	39,74,800	Nil	38,17,600	Nil
Contribution by the Company	45,00,000	49,59,666	40,00,000	50,27,614
Benefits Paid	( 16,75,175)	( 49,59,666)	( 33,65,847)	( 50,27,614)
Actuarial gain / (loss)	( 1,30,271)	Nil	( 4,29,858)	Nil
Fair Value of Plan Assets at end of period	5,72,15,534	Nil	5,05,46,180	Nil

d) The total expense recognised in the statement of profit and loss is as follows:

Current Service Cost	49,49,921	53,52,253	43,63,701	50,53,280
Interest Cost	41,07,023	18,40,747	35,02,036	16,70,070
Expected return on plan assets	( 39,74,800)	N.A	( 38,17,600)	N.A
Net Actuarial (gain) / loss recognised in the year	( 4,27,977)	23,84,193	1,45,873	( 9,30,222)
	46,54,167	95,77,193	41,94,010	57,93,128

e) Reconciliation of Net Liability recognised in the Balance Sheet

Net Liability as at the beginning of the year	65,52,003	2,76,95,551	63,57,993	2,69,30,037
Add : Expense as (d) above	46,54,167	95,77,193	41,94,010	57,93,128
Less: Employers Contribution / Payment	( 45,00,000)	( 49,59,666)	( 40,00,000)	( 50,27,614)
Net Liability as at the end of the year	67,06,170	3,23,13,078	65,52,003	2,76,95,551

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

34 Employee Benefits: (Contd.)	31.3.2019		31.3.2018	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
	₹	₹	₹	₹
f) Constitution of Plan Assets:				
Investments in LIC Group Gratuity Scheme	5,72,15,534	Not Applicable	5,05,46,180	Not Applicable
g) Principal actuarial assumptions used as at the Balance Sheet date:				
Discount Rate	7.32%	7.32%	7.30%	7.30%
Salary Escalation Rate	6.50%	6.50%	6.50%	6.50%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.32%	NA	7.65%	NA

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, Promotion and other relevant factors such as demand and supply in the employment market.

h) The amounts pertaining to defined benefit plans are as follows:

	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
	₹	₹	₹	₹	₹
Gratuity - Funded Plan					
Defined benefit obligation	6,39,21,704	5,70,98,183	5,28,82,278	4,55,01,510	4,12,46,587
Plan Assets	5,72,15,534	5,05,46,180	4,65,24,285	4,06,13,531	3,69,10,416
Surplus/(Deficit)	( 67,06,170)	( 65,52,003)	( 63,57,993)	( 48,87,979)	( 43,36,171)
Experience adjustment - Plan Liabilities	( 5,58,248)	( 2,89,985)	16,35,600	14,28,043	38,37,338
Experience adjustment - Plan Assets	( 1,30,271)	( 4,29,858)	( 1,98,978)	( 2,22,430)	( 3,94,410)

The Company expects to fund ₹ 50 Lakhs towards its gratuity plan during the year 2019/20.

ii) Defined Contribution Plans:

The Company makes contribution towards employees' provident fund, family pension fund, superannuation fund and employees' state insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognised ₹ 2,71,55,970 as expense towards contributions to these plans.

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 35 Segment Information:

The Company has identified business segments as its primary segment. The Company has identified two reportable segments viz. Packet Tea & Coffee and Trading Activity. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting :

- a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable"

#### (i) Primary Segment Information

Amount in ₹

*Previous Year Figures have been shown in Italics below the current year figures.*

Particulars	Packet Tea & Coffee	Trade & Others	Services	Unallocable	Total
<b>Segment Revenue</b>					
External Revenue	<b>527,33,93,427</b>	<b>278,83,60,276</b>	<b>41,29,04,938</b>		<b>847,46,58,641</b>
	<i>471,23,39,263</i>	<i>298,70,60,874</i>	<i>44,99,29,263</i>		<i>814,93,29,401</i>
Inter-Segment Revenue					
<b>Total Revenue</b>	<b>527,33,93,427</b>	<b>278,83,60,276</b>	<b>41,29,04,938</b>	-	<b>847,46,58,642</b>
<b>Segment Result</b>	<b>33,37,31,817</b>	<b>3,03,42,142</b>	<b>1,45,05,492</b>		<b>37,85,79,450</b>
	<i>33,72,92,726</i>	<i>4,10,06,746</i>	<i>2,40,57,805</i>		<i>40,23,57,277</i>
Less: Unallocated Corporate Expenses over Income				<b>(16,28,461)</b>	<b>(16,28,461)</b>
				<i>(2,34,17,179)</i>	<i>(2,34,17,179)</i>
<b>Segment Result before Exceptional and non recurring items, interest and taxes</b>	<b>33,37,31,817</b>	<b>3,03,42,142</b>	<b>1,45,05,492</b>	<b>(16,28,461)</b>	<b>37,69,50,990</b>
	<i>33,72,92,976</i>	<i>4,10,06,746</i>	<i>2,40,57,805</i>	<i>(2,34,17,179)</i>	<i>37,89,40,348</i>
Less: Finance Costs				<b>(1,49,77,118)</b>	<b>(1,49,77,118)</b>
				<i>(83,55,581)</i>	<i>(83,55,581)</i>
<b>Segment Result before Exceptional and non recurring items, taxes</b>	<b>33,37,31,817</b>	<b>3,03,42,142</b>	<b>1,45,05,492</b>	<b>(1,66,05,579)</b>	<b>36,19,73,872</b>
	<i>33,72,92,726</i>	<i>4,10,06,746</i>	<i>240,57,805</i>	<i>(317,72,760)</i>	<i>37,05,84,517</i>
Less: Provision for Taxation				<b>(12,65,00,000)</b>	<b>(12,65,00,000)</b>
				<i>(13,75,00,000)</i>	<i>(13,75,00,000)</i>
Add: Deferred Tax Asset				<b>26,00,000</b>	<b>26,00,000</b>
				<i>(14,00,000)</i>	<i>(14,00,000)</i>
<b>Segment Result after Tax</b>	<b>33,37,31,817</b>	<b>3,03,42,142</b>	<b>1,45,05,492</b>	<b>(14,05,05,579)</b>	<b>23,80,73,872</b>
	<i>33,72,92,726</i>	<i>4,10,06,746</i>	<i>2,40,57,805</i>	<i>(16,78,72,760)</i>	<i>23,44,84,517</i>

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 35 Segment Information

##### (i) Primary Segment Information (Contd.)

Amount in ₹

*Previous Year Figures have been shown in Italics below the current year figures.*

Particulars	Packet Tea & Coffee	Trade & Others	Services	Unallocable	Total
<b>Other Information</b>					
Capital Employed	<b>69,80,74,290</b>	<b>49,17,96,879</b>	<b>7,61,49,205</b>	<b>(126,60,20,374)</b>	-
<i>(Segment Assets - Segment Liabilities)</i>	<i>12,59,70,808</i>	<i>40,20,27,945</i>	<i>7,83,48,915</i>	<i>(60,63,47,668)</i>	-
Capital Expenditure	<b>2,66,74,694</b>	<b>1,01,39,902</b>	-	-	<b>3,68,14,596</b>
	<i>1,51,69,325</i>	<i>91,77,277</i>	-	<i>16,73,512</i>	<i>2,60,20,114</i>
Depreciation	<b>1,40,21,655</b>	<b>63,16,211</b>	<b>16,94,531</b>	<b>59,94,762</b>	<b>2,80,27,159</b>
	<i>1,27,39,220</i>	<i>52,30,321</i>	<i>26,13,756</i>	<i>85,42,496</i>	<i>2,91,25,793</i>

##### (c) The reportable Segments are further described below :

The Packet Tea, Coffee and Premix of tea and coffee segment includes sale of tea and coffee in packet, bulk or value added forms.

The Trade segment includes trading of Cardamom, Dairy products, Roofing Materials and Aluminium & related Accessories.

The businesses, which were not reportable segments during the year, have been grouped under the "Services" segment.

This mainly comprises of Logistics and other C&F related activities.

#### 36 Deferred Tax Asset

	Amount in ₹	
	<b>31.03.2019</b>	<b>31.03.2018</b>
Tax Impact of difference between carrying amount of Fixed Assets in the Financial Statements and the income tax returns	77,00,000	73,00,000
Tax impact of expenses charged in the financial statements but allowable as deduction in future years under Income Tax	1,46,00,000	1,24,00,000
Deferred Tax Asset	<b>2,23,00,000</b>	<b>1,97,00,000</b>

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## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 37 Related Party Transactions:

Following Companies are related to the Company on account of common control through Constitution of Board / Shareholding :

- A V Thomas International Ltd.
- L.J. International Ltd.
- A V Thomas Investments Company Ltd. (Associate Company)
- The Midland Rubber & Produce Company Ltd.
- The Nelliampathy Tea & Produce Company Ltd.
- Neelamalai Agro Industries Ltd.
- AVT Natural Products Ltd.
- AVT McCormick Ingredients Private Ltd.
- AVT Holdings Private Ltd.
- Midland Latex Products Ltd.
- The Highland Produce Company Ltd.
- The Rajagiri Rubber & Produce Company Ltd.
- Dalp Trading and Manufacturing Ltd.
- A V Thomas Leather & Allied Products Private Ltd.
- A V Thomas Exports Ltd
- Aspera Logistics Private Ltd.
- Midland Corporate Advisory Services Private Ltd.
- Provision Value Gard Pvt Ltd
- AVT Gavia Foods Private Ltd. (Associate Company)
- AVT Tea Services Ltd UK
- AVT Tea Services North America LLC
- Alina Private Limited
- J. Thomas Educational & Benevolent Trust
- Midland Charitable Trust
- Dalp Benevolent Trust
- Rajagiri Impex Ltd.
- Madura Micro Finance Ltd.
- Dalp Holdings Singapore Pte Ltd
- Grover Zampa Vineyards Ltd
- AVT Naturals S.A DE C.V

## A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

Key Management Personnel - Mr.Ajit Thomas, Executive Chairman.

Mr.Dilip Thomas, Executive Vice - Chairman

Amount in ₹

Details of Transactions:	31.03.2019		31.03.2018	
	Associate Companies/Trust	Key Management Personnel (Including Relatives)	Associate Companies/Trust	Key Management Personnel (Including Relatives)
<b>INCOME:</b>				
Sales	1,26,02,431	Nil	25,27,718	Nil
C&F and Warehousing Charges	5,92,42,486	Nil	4,98,24,968	Nil
Rent	1,40,552	Nil	1,35,000	Nil
Service Charges	60,000	Nil	60,000	Nil
Dividend Received	60,038	Nil	10,52,938	Nil
<b>EXPENDITURE:</b>				
Purchases	83,71,12,571	Nil	73,72,95,761	Nil
Rent	16,52,000	Nil	16,41,504	Nil
Comission Paid / C&F	1,06,34,556	Nil	Nil	Nil
Remuneration	Nil	2,07,96,400	Nil	1,95,70,600
Purchase of Fixed Assets	Nil	Nil	15,90,750	Nil
Professional Fee	Nil	Nil	4,00,000	Nil
Donation Paid	1,25,00,000	Nil	1,10,00,000	Nil
Dividend Paid	30,60,075	5,49,87,900	28,59,075	5,20,26,000
<b>OTHERS</b>				
Investments in Shares	15,55,94,400	Nil	16,15,83,028	Nil
Balance as on 31st March 2019				
Debit Balance	2,51,63,545	Nil	1,87,66,117	Nil
Credit Balance	5,86,96,863	Nil	5,07,75,630	Nil

**38** Consequent to introduction of Goods and Service Tax (GST) with effect from 01.07.2017, Excise Duty is no longer leviable on manufacture of goods and hence is not part of Gross Turnover with effect from 1st July 2017.

**39** During the year the amount of borrowing cost included under capital work in progress is Rs. 3,33,919

**40** Previous year's figures have been re-grouped wherever necessary.

Vide our Report of date attached  
For SURI & CO.

Chartered Accountants  
Firm's Regn.No: 004283S  
G. RENGARAJAN  
*Partner*

Membership No. 219922

For and on behalf of the Board

AJIT THOMAS  
*Executive Chairman*

RSHANKAR  
*Director*

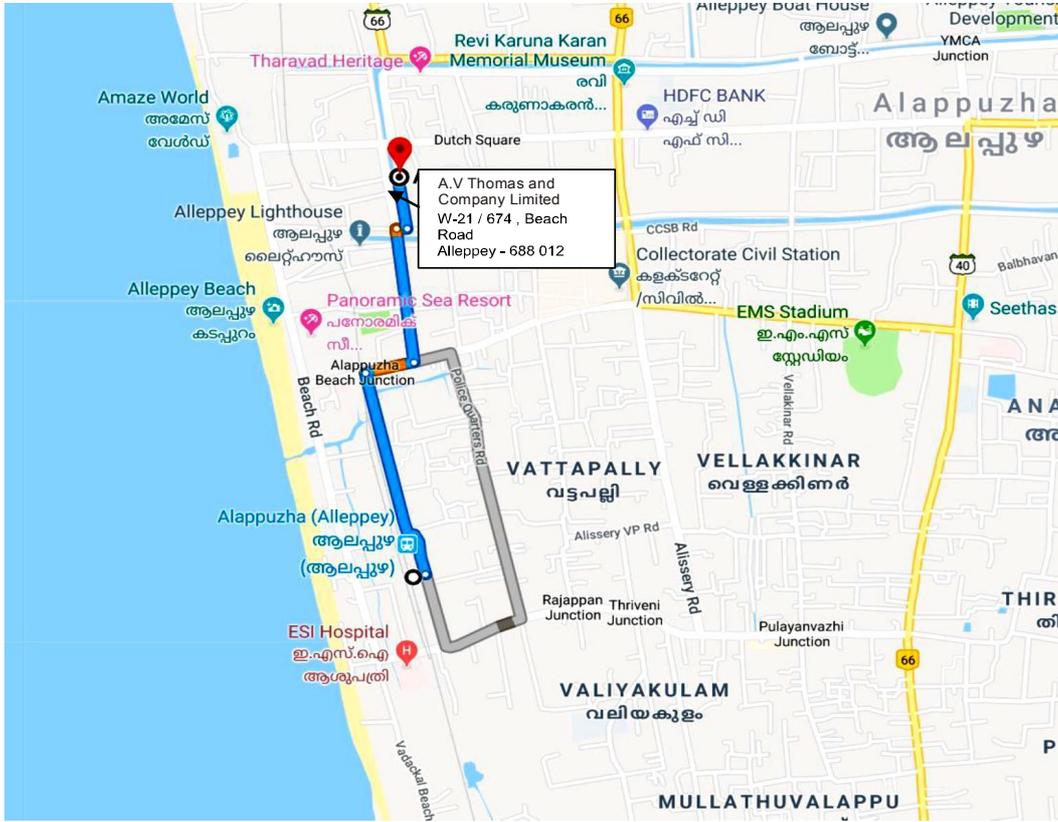
Place : Chennai,  
Date : 10.06.2019

R.VENUGOPALAN  
*Chief Financial Officer*

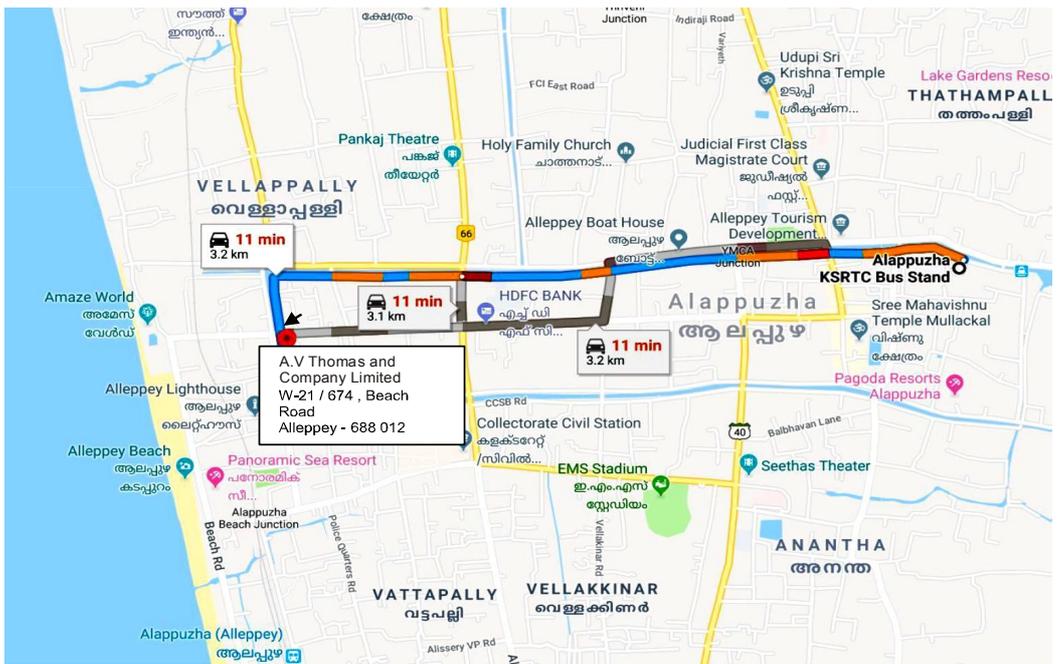
**A.V. THOMAS AND COMPANY LIMITED**  
 Registered Office: W-21/674, BEACH ROAD, ALAPPUZHA-688012  
 CIN: U51109KL1935PLC000024

**ROUTE MAP**

Alappuzha Railway station to A.V Thomas and Company Limited



Alappuzha KSRTC bus stand to A.V Thomas and Company Limited



**A.V. THOMAS AND COMPANY LIMITED**

Registered Office: W-21/674, BEACH ROAD, ALAPPUZHA-688012  
CIN: U51109KL1935PLC000024  
Email id: avt.alapuzha@gmail.com Website: www.avthomas.com

**Form No.MGT-11  
PROXYFORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

Corporate Identity Number (CIN) : U51109KL1935PLC000024  
Name of the Company : A.V. THOMAS AND COMPANY LIMITED  
Registered Office : W-21/674, Beach Road, Alappuzha-688 012

Name of the member (s) :  
Registered address :

E-mail Id :  
Folio No :  
Name of the member(s) :  
Registered address :

E-mail Id :  
Folio No/Client Id :  
DP ID :

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

1. Name :  
Address :  
E-mail Id :  
Signature : ..... or failing him

2. Name :  
Address :  
E-mail Id :  
Signature : ..... or failing him

3. 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 the 84th Annual general meeting of the Company, to be held on Thursday, the 22nd day of August, 2019 at 11.00 A.M at its Registered Office at W-21/674, Beach Road, Alappuzha-688 012 and at any adjournment thereof in respect of such resolutions as are indicated overleaf :

Signed this..... day of ..... 2019

Signature of shareholder

Signature of Proxy holder(s)



**Note : 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.**

Resolution Number	Resolution
<b>Ordinary Business</b>	
1.	Adoption of Financial Statements (including the Consolidated Financial Statements) for the year ended March 31, 2019
2.	a) Confirmation of Interim Dividend for the Financial year 2018-19 b) Declaration of Final Dividend for the Financial year 2018-19
3.	Appointment of Director in place of Mr. Habib Hussain, who retires by rotation and is eligible for reappointment.
<b>Special Business</b>	
4.	Re-appointment of Mr.Ajit Thomas as Whole-Time Director for the period of 3 years and fixing of his remuneration
5.	Re-appointment of Mr.A.D.Bopana as Independent Director for the further period of 3 years
6.	Re-appointment of Mr.P.Shankar as Independent Director for the further period of 3 years
7.	Ratification of Remuneration to M/s. Rajendran, Mani & Varier, Cost Auditors