

**A.V. THOMAS AND COMPANY LTD.**

**85<sup>th</sup>**

**ANNUAL REPORT & ACCOUNTS  
2019 - 2020**

# **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  
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 / 2243625  
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

<b>Contents</b>	<b>Page No.</b>
Notice to Shareholders	3
Directors' Report	15
Auditors' Report	43
Balance Sheet	50
Statement of Profit and Loss	51
Cash Flow Statement	52
Notes on Accounts	54
Financial Highlights	76
Consolidated Financial Statements	77



## **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 FIFTH ANNUAL GENERAL MEETING of the Company will be held on Monday the 21st September, 2020 at 11.00 A.M. IST through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) 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, 2020, the reports of the Board of Directors and Auditors thereon.
2. (a) To confirm the payment of Interim Dividend at Rs.100/- per Equity Share (1000%) already paid for the year ended 31st March, 2020;  
(b) To confirm the payment of Special Interim Dividend at Rs.800/- per Equity Share (8000%) already paid for the year ended 31st March, 2020; and  
(c) To declare a Final Dividend on Equity Shares. [The Directors have recommended a final Dividend of Rs.100/- per Equity share (1000%);]
3. To appoint a Director in place of Mrs. Kavitha Vijay (DIN: 01047261), who retires by rotation and being eligible has offered herself for re-appointment

#### **SPECIAL BUSINESS:**

#### **4. To revise the Managerial Remuneration to Mr. Ajit Thomas, (DIN 00018691), Executive Chairman**

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 197 read with Schedule V and the other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) consent and/or approval be and is hereby accorded by the shareholders for the payment of revised remuneration to Mr. Ajit Thomas, (DIN 00018691) Whole-Time Director of the Company designated as Executive Chairman, with effect from 01.06.2020 to 31.01.2022, without entitlement to sitting fees as hereunder:

1. Revised Salary: Rs.8,00,000/- per month with effect from 1st June 2020
2. Perquisites and other benefits:
  - a) Company's contribution to Provident fund @ 12% in accordance with the rules of the Company.
  - b) Gratuity: As per the rules of the Company.
  - c) 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.

RESOLVED FURTHER THAT the payment of revised managerial remuneration to Mr. Ajit Thomas Whole-Time Director of the Company designated as Executive Chairman sanctioned, with the liberty and power to the Board of Directors, at its discretion, to further revise the payment of salary, within the overall ceiling limits as prescribed in Section I of Part II of Schedule V of The Companies Act, 2013 and also to alter and vary from time to time, the Board of Directors may deem it appropriate and expedient and that the Board of Directors be and is hereby authorised to do such acts, deeds and things as are considered necessary to give effect to these resolutions without further reference to the shareholders.

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

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**5. To re-appoint Mr. Dilip Thomas (DIN: 00052185) as Whole-Time Director of the company and fix his remuneration.**

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

“RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) consent and / or approval be and is hereby accorded by the shareholders for the re-appointment of Mr. Dilip Thomas (DIN:00052185) as Whole-Time Director of the company designated as Executive Vice-Chairman for a period commencing from 2nd June 2020 to 30th June 2023, subject to retirement by rotation, without entitlement to sitting fees, on the following principal terms of re-appointment and remuneration:

The principal terms of re-appointment and remuneration of Mr. Dilip Thomas are as follows:

1. Salary: Rs.7,00,000/- per month.
2. Perquisites and other benefits:
  - a) Company's contribution to Provident fund @ 12% in accordance with the rules of the Company.
  - b) Gratuity: As per the rules of the Company.
  - c) 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.

RESOLVED FURTHER THAT the re-appointment of Mr. Dilip Thomas as Whole-Time Director of the Company designated as Executive Vice-Chairman and payment of remuneration sanctioned, with the liberty and power to the Board of Directors, at its discretion, to revise the payment of salary, within the overall ceiling limits as prescribed in Section I of Part II of Schedule V of The Companies Act, 2013 and also to alter and vary from time to time, the Board of Directors may deem it appropriate and expedient and that the Board of Directors be and is hereby authorised to do such acts, deeds and things as are considered necessary to give effect to these resolutions without further reference to the shareholders.”

**6. To Approve the remuneration payable to M/s. Rajendran, Mani & Varier, as Cost Auditors for the Financial Year 2020-2021**

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, 2021 be paid a remuneration of Rs.1,25,000 (Rupees One Lakh and Twenty Five Thousand 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  
12th August, 2020

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

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### NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular no. 20/2020 dated May 5, 2020 read with circular nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 (collectively referred to "MCA Circulars") permitted the holding of 85th Annual General Meeting ("AGM") through Video Conference (VC) or Other Audio Visual Means (OVAM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy so appointed need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to vsureshpcs@gmail.com with a copy marked to avt.alapuzha@gmail.com
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. An explanatory statement pursuant to Section 102(1) of the Act is annexed hereto forms part of the notice.
6. The Company has appointed M/s Cameo Corporate Services Limited, Chennai as its Registrar & Share Transfer Agent and depository interface of the Company with CDSL and NSDL. Shareholders intending to hold their shares in electronic form may approach their depository participants for dematerialisation of shares. Shareholders may send their shares for effecting transmission / transposition to M/s Cameo Corporate Services Limited.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 15.09.2020 to 21.09.2020 (both days inclusive) for the purpose of Annual General Meeting.
8. 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 names appear in the Register of Members on that date, subject to deduction of tax as applicable.
9. Members are requested to notify immediately any change in their address to the company's Share Transfer Agent, M/s. Cameo Corporate Services Limited, 'Subramanian Building', No. 1, Club House Road, Chennai- 600 002 in the case of physical holdings and to their respective Depository Participants in case of dematted shares.
10. Members are requested to lodge their e-mail ID's along with their Name and Folio No. to Company's Share Transfer Agent, M/s. Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002, Email : investor@cameoindia.com to enable the Company to send all future communications including Annual Reports through electronic mode.
11. Members are requested to furnish to the Company's Share Transfer Agent immediately their bank account details in the case of physical holdings, and to their respective Depository Participants in case of dematted shares, so that the payment of dividend when made through National Electronic Clearing Service (NECS), National Electronic Fund Transfer (NEFT), Direct Credit, Dividend Warrants etc., can be made without delay.
12. Shareholders who have multiple folios in identical names or in joint names in the same order, are requested to intimate to the Company these folios, to enable the Company to consolidate all such shareholdings into one folio.

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

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13. 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.
14. 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 2011-12 and Interim Dividend for the year 2012-13 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.  

Final Dividend declared for the year 2012-2013 and remaining unpaid or unclaimed is liable to be transferred to the Fund during the month of October 2020 and Interim Dividend paid for the year 2013-2014 remaining unpaid or unclaimed is liable to be transferred to the Fund during the month of March 2021. 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.
15. 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.
16. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
17. Members may also note that the Notice of the 85th Annual General Meeting and the Annual Report for 2019-2020 will also be available on the Company's website: [www.avthomas.com](http://www.avthomas.com) for downloading. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's share transfer agent email ID: [investor@cameoindia.com](mailto:investor@cameoindia.com).
18. In terms of section 101 of the Companies Act 2013 read with rule 18 of the Companies (Management and Administration) Rules, 2014 and section 136 of the Companies Act 2013 read with rule 11 of Companies (Accounts) Rules, 2014, electronic copy of the notice of 85th Annual General Meeting of the Company inter-alia, indicating the process and manner of e-voting is being sent to all the members whose e-mail id's are registered with the Company/depository participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their e-mail id, physical copies of the notice of the 85th Annual General Meeting of the Company inter-alia, indicating the process and manner of e-voting is being sent in the permitted mode.
19. Since the AGM will be held through VC in accordance with the circulars, the route map, proxy form and attendance slip are not attached to this Notice.

### **20. Voting facilities**

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 facility to exercise their right to vote at the 85th 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).

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

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### **CDSL e-Voting System – For Remote e-voting and e-voting during AGM**

- a. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- b. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- c. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to all members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- d. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.avthomas.com](http://www.avthomas.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - please provide Demat account details (CDSL – 16 digit beneficiary ID or NSDL – 2 Character + 6 digits (DPID) & 8 digits CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.
3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.



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

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4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [avt.alapuzha@gmail.com](mailto:avt.alapuzha@gmail.com) The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [avt.alapuzha@gmail.com](mailto:avt.alapuzha@gmail.com) These queries will be replied by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

### **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

The Shareholders who have cast their vote by e-voting prior to the meeting may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again.

(i) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A 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).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- 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.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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) or call 1800225533.

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

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All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

- (i) The voting period begins on 18.09.2020 (Friday) (9 a.m.) ends on 20.09.2020 (Sunday) (5.00 p.m). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14.09.2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter
- (ii) The shareholders should log on 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 – 2 Character + 6 digits (DPID) & 8 digits (CLID)
  - 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.
- (vii) Fill up the following details in the appropriate boxes

	For Members holding shares in Demat Form and Physical Form
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.</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.

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

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- (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 & Co. 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) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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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### 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 thereafter 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 or votes in favour of the resolutions.
- iii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.avthomas.com](http://www.avthomas.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately. The results shall also be displayed on the notice board at the Registered Office of the Company.
- 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 14.09.2020. 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 here to and shall be taken as forming part of this Notice**

### **SPECIAL BUSINESS:**

#### **Item No.4**

At the 84th Annual General Meeting of the Company held on 22nd August, 2019, 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 2019.

Keeping in view of the enhanced responsibilities and duties, the Board of Directors their meeting held on 1st June 2020, on the recommendations of the Nomination & Remuneration Committee had revised the remuneration payable to Mr. Ajit Thomas, Executive Chairman with effect from 1st June 2020 on the terms as stated in the resolution for the remaining tenure of his appointment.

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 the extent of managerial remuneration payable to him. Mr. Dilip Thomas, Executive Vice-Chairman, is also interested in the resolution being related to Mr. Ajit Thomas. None of the other 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**

At the 82nd Annual General Meeting of the Company held on 30th August, 2017, Mr. Dilip Thomas was re-appointed as Whole-Time Director of the Company and designated as Executive Vice-Chairman for a period of three years from 2nd June 2017.

The Board of Directors their meeting held on 1st June 2020, on the recommendations of the Nomination & Remuneration Committee had re-appointed Mr. Dilip Thomas as Whole-Time Director, and designated as Executive Vice-Chairman for further period of three years from 2nd June 2020 to 30th June 2023 on the terms as stated in the resolution.

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

Mr. Dilip Thomas is interested in resolution relating to his appointment and to the extent of managerial remuneration payable to him. Mr. Ajit Thomas, Executive Chairman is also interested in the resolution being related to Mr. Dilip Thomas. None of the other 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.5 of the Notice for approval of the shareholders.

#### **Item No.6**

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 12th August, 2020, 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, 2021 on a remuneration of Rs. 1,25,000/- (Rupees One Lakh and Twenty Five Thousand 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.6 for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2021.

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.6 of the Notice for approval of the shareholders.

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

AJIT THOMAS  
Executive Chairman

Chennai  
12th August 2020

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

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### 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>Mrs. Kavitha Vijay</b>
Date of Birth	14-09-1974
DIN	01047261
Qualifications	B.Sc. LLB
Expertise in specific functional areas	Expertise in handling corporate Law matters in varied industry verticals
Date appointment on the Board	02-08-2017
Number of Board Meeting attended during the year 2019-20	Four
Relationship with other Directors	No
Directorship held in other Companies (excluding foreign companies)	1) A.V.T. Natural Products Ltd. 2) MM Forgings Limited 3) Wolters Kluwer ELM Solutions Private Limited
Membership of Committees in other Companies	1) M/s. AVT Natural Products Limited - Member in Audit Committee 2) M/s. MM Forgings Limited – Member in Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee
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.5

Particulars	<b>Mr.Dilip Thomas</b>
Date of Birth	07-08-1958
DIN	00052185
Qualifications	B.Com
Expertise in specific functional areas	Vast experience in Plantations, Business and Management
Date of appointment in the Board	29-10-2009
Number of Board Meeting attended during the year 2019-20	Five
Relationship with other Directors	Brother of Mr.Ajit Thomas, Executive Chairman
Directorship held in other Companies (excluding foreign companies)	<b>1 Chairman</b> - A.V. Thomas International Limited - L J International Limited. - The Rajagiri Rubber & Produce Company Limited. - The Highland Produce Company Limited - Dalp Trading & Manufacturing Limited. <b>Director</b> - A V Thomas Investments Company Limited. - A V Thomas Exports Limited - A V Thomas Leather & Allied Products (P) Limited. - AVTS2 Virtual Lifestyle (P)Limited (In liquidation)
Membership of Committees in other Companies	-
Number of shares held in the Company	1,57,020

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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 FIFTH ANNUAL REPORT with the audited accounts of the Company for the year ended 31st March, 2020.

		(Rs.in lakhs)
<b>FINANCIAL RESULTS:</b>	<b>2019 - 20</b>	<b>2018 - 19</b>
Income from Operations and Other Income	90690.78	85193.48
Profit Before Depreciation and Interest	12836.06	4052.11
Less: Depreciation	482.84	282.60
Interest	207.65	149.77
	690.49	432.37
Profit Before Tax	12145.57	3619.74
Less: Provision for Tax ( Including Deferred tax)	2948.00	1239.00
Profit After Tax	9197.57	2380.74
Add: Surplus brought forward	5021.84	4491.38
	14219.41	6872.12
which your Directors recommend to appropriate:-		
Transfer to General Reserve	2500.00	1000.00
Interim Dividend on Equity Shares @ Rs.100/- per share already paid	470.20	352.65
Tax on Interim Dividends	96.65	72.49
Special Interim Dividend on Equity Shares @ Rs.800/- per share already paid	3761.60	
Tax on Interim Dividends	773.21	
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	72.49
Balance carried forward	6192.61	5021.84
	14219.41	6872.12
Proposed Final Dividend for the current year (@ Rs.100/- per share)	*	

\* Proposed dividend on equity shares has not been recognized 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.100/- per equity share (1000%) and Special Interim Equity Dividend of Rs.800/ per equity share (8000%) were paid during the financial year ended 31st March, 2020. The Board of Directors had recommended a final dividend of Rs.100/- per equity share (1000%) for approval of the shareholders at the Annual General Meeting. The aggregate of the dividends, amounts to Rs.1000/- per equity share (10000%) for the year ended 31st March, 2020.

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

The Company has transferred a sum of Rs.25 crores to the General Reserve for the Financial Year 2019-20



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

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### **DEPOSIT FROM PUBLIC**

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

### **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**

The business showed a volume growth of 4% despite difficult market conditions. As in earlier years, AVT continues to be the market leader in Kerala and has impressive market share in TamilNadu. The sales volume in other states of Andhra, Karnataka and Orissa as well as exports has been fairly steady.

Cardamom exports was NIL due to the quality restrictions in Saudi Arabia.

#### **ROOFING**

The operation under Roofing Division was significantly affected due to the down turn in the construction industry. The volume drop was around 30%. The pipe production at Perundurai, TamilNadu, was started during the second quarter of the year and the performance is satisfactory.

#### **LOGISTICS**

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

#### **DAIRY DIVISION**

The Dairy Division has shown significant volume as well as value growth during the year. The business is expected to become profitable in the next 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 (A V Thomas Investments Company Limited) alongwith 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 Mrs. Kavitha Vijay, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Directors recommend re-appointment of Mrs.Kavitha Vijay at the ensuing Annual General Meeting.

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

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Mr.Dilip Thomas, Executive Vice-Chairman, whose terms of office ended on 1st June 2020, has been re-appointed for a further period of three years with effect from 2nd June 2020 to 30th June 2023, subject to the approval of shareholders.

### **BOARD MEETINGS**

During the financial year 2019-20, the Board of Directors met five times. The dates on which the meetings were held are 10.06.2019, 16.09.2019, 25.11.2019, 13.02.2020 and 23.03.2020.

### **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.

During the financial year 2019-20, the Audit Committee met two times. The dates on which the meetings were held are 10.06.2019 and 13.02.2020.

### **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>.

During the financial year 2019-20, Nomination and Remuneration Committee met once and date of the meeting was 13.02.2020.

### **SHARE TRANSFER COMMITTEE**

The Share Transfer Committee consists of Directors Mr.Ajit Thomas, Mr.P.Shankar and Mr.Habib Hussain as Members of the Committee

During the financial year 2019-20, the Share Transfer Committee met four times. The dates on which the meeting were held are 11.10.19, 14.02.20, 18.02.20 and 24.03.20.

### **INDEPENDENT DIRECTORS**

In the opinion of the Board, all Independent Directors fulfill the conditions of independence as specified in the Act and the Rules made thereunder and are independent of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of human resources, strategy, auditing, tax and risk advisory services, financial services, corporate governance, etc. and that they hold highest standards of integrity. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014

In compliance with Schedule IV of the Companies Act, 2013 and Rules thereunder, the Independent Directors met on 13th February 2020 and discussed issues as prescribed under the schedule IV of the Companies Act, 2013 and evaluated the performance of the Board and the Company. The Directors expressed the satisfaction on the performance of the Company.

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.

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

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### **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 forth coming 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 2018-19 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 2020-21. 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 2020-21.

### **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, 2020. 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.

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

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### **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.992.42 lakhs compared to Rs.1900.05 lakhs during the previous year. The foreign exchange outgo during the year was Rs.438 .27 lakhs against Rs. 264.68 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, Chairman, Mr. DilipThomas and Mr. P. Shankar as members. The CSR 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.

### **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, 2020, 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

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

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### **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 2019-20.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (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  
12th August, 2020

By Order of the Board  
AJIT THOMAS  
Executive Chairman

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

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**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**

<b>Sl. No.</b>	<b>Name of Associates</b>	<b>AVT Gavia Foods Private Limited</b>	<b>A.V. Thomas Investments Company Limited</b>
1	Latest audited Balance Sheet Date	31.03.2020	31.03.2020
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.)	2,36,19,695	86,67,594
6	Profit/Loss for the year (Rs.) i) Considered in Consolidation ii) Not Considered in Consolidation	(35,91,268)	2,49,663
7	Total Net Worth (Rs.)	4,72,39,389	1,77,72,388

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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 2019-20**

[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

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. A V THOMAS AND CO LTD** ("the Company") for the financial year ended on 31st March 2020 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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)**

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

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- (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)**
- (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 (Buyback of Securities) Regulations, 2018; **(Not Applicable)**
- (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(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

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

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

**We 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.

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

Place: Chennai  
Date : 07.08.2020

V Suresh Associates  
Practising Company Secretaries

V Suresh  
Senior Partner  
FCS No. 2969  
C.PNo. 6032  
UDIN:F002969B000561186



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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 2019-20.

**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  
12th August, 2020

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 4133430	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	7106952 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 Income from C&F & Warehousing Miscellaneous Income Sale of Aluminium sheets	On going transactions On going transactions On going transactions On going transactions	239541760 289008 188646 640833	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 Miscellaneous	On going transactions On going transactions On going transactions	202647235 225015 78130	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 Miscellaneous Income	On going transactions On going transactions On going transactions	204154 2226411 94327	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil 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	25832400 7788025 9243819	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	34755483	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	439547773 793971 12000 1400007	Market Rate Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable Not Applicable	Nil Nil Nil Nil

**Annexure IIIA**

**AOC 2**

<b>Name of the Related Party</b>	<b>Nature of Relationship</b>	<b>Nature of Transaction</b>	<b>Duration of Transactions</b>	<b>Amount (Rs.)</b>	<b>Salient Terms</b>	<b>Date of Approval by the Board</b>	<b>Amount paid as Advance if any</b>
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	82470 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	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	17434877	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	Market Rate	Not Applicable	Nil
Aspera Logistics Private Ltd.	Common Control through constitution of Board/Share holding	Rent Received Miscellaneous Income Freight/C&F Paid	On going transactions On going transactions On going transactions	22176 7622 8357004	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil Nil Nil
Provision Value Gard Private Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	10176	Market Rate	Not Applicable	Nil
Alina Private Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing	On going transactions	11660768	Market Rate	Not Applicable	Nil
AVT Gavia Foods Private Ltd.	Common Control through constitution of Board/Share holding	Sale of milkshake Income from C&F & Warehousing	On going transactions On going transactions	72900 681072	Market Rate Market Rate	Not Applicable Not Applicable	Nil 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, 2020**

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	-	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	69%
2	Aluminium Sheets	24202	8%
3	GI Sheets	24109	14%

**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 Lakshmipathy Salai, Egmore, Chennai-600008.	U15499TN2008PTC065914	Associate	50.00%	2(6)
2	A V Thomas Investments Company Limited No.60, Rukmani Lakshmipathy 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 - 01.04.2019				No. of Shares Held at the end of the Year - 31.03.2020				% 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	370626	6	370632	78.824	370732	0	370732	78.846	0.021
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.	12880	5500	18380	3.909	15805	3500	19305	4.106	0.197
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>383506</b>	<b>5506</b>	<b>389012</b>	<b>82.733</b>	<b>386537</b>	<b>3500</b>	<b>390037</b>	<b>82.951</b>	<b>0.218</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>383506</b>	<b>5506</b>	<b>389012</b>	<b>82.733</b>	<b>386537</b>	<b>3500</b>	<b>390037</b>	<b>82.951</b>	<b>0.218</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 - 01.04.2019				No. of Shares Held at the end of the Year - 31.03.2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corp									
i) Indian	2322	4500	6822	1.451	2220	4500	6720	1.429	-0.022
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.1 Lakh	31713	33264	64977	13.819	35844	28680	64524	13.722	-0.096
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	654	0	654	0.139	654	0	654	0.139	0
Escrow A/c - Exit Offer	0	0	0	0	0	0	0	0	0
IEPF	4515	0	4515	0.960	4515	0	4515	0.960	0
Non Resident Indians	720	0	720	0.153	250	0	250	0.053	-0.10
<b>Sub- Total (B)(2)</b>	<b>39924</b>	<b>37764</b>	<b>77688</b>	<b>16.522</b>	<b>43483</b>	<b>33180</b>	<b>76663</b>	<b>16.304</b>	<b>-0.218</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>39924</b>	<b>41264</b>	<b>81188</b>	<b>17.266</b>	<b>43483</b>	<b>36680</b>	<b>80163</b>	<b>17.049</b>	<b>-0.218</b>
<b>TOTAL (A)+(B)</b>	<b>423430</b>	<b>46770</b>	<b>470200</b>	<b>100</b>	<b>430020</b>	<b>40180</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>423430</b>	<b>46770</b>	<b>470200</b>	<b>100</b>	<b>430020</b>	<b>40180</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 - 01.04.2019			Shareholding at the end of the year - 31.03.2020			% 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	212612	45.22	1.850	212612	45.22	2.319	0.47
2.	Mr. Dilip Thomas	157020	33.39	0	157020	33.39	0	-
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	12880	2.73	0	13805	2.93	0	0.20
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.	Mr.Divesh Thomas	-	-	-	100	0.02	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 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
		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-2019 Dematted on 03-May-2019 At the end of the Year 31-Mar-2020	212609 3 212612	45.22 0.0006 45.22	212609 212612 212612	45.22 45.22 45.22
2.	Mr. Dilip Thomas At the beginning of the year 01-Apr-2019 Dematted on 18-Oct-2019 At the end of the year 31-Mar-2020	157017 3 157020	33.39 0.0006 33.39	157017 157020 157020	33.39 0.0006 33.39

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

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Sl. No.	Name of the Share holder	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	M/s. AVT Holdings Private Limited At the beginning of the year 01-Apr-2019 Purchase on 09-Aug-2019 At the end of the year 31-Mar-2020	12880 925 13805	2.74 0.20 2.93	12880 13805 13805	2.74 2.93 2.93
4.	M/s. The Highland Produce Co. Ltd. At the beginning of the year 01-Apr-2019 At the end of the year 31-Mar-2020	3500 3500	0.74 0.74	3500 3500	0.74 0.74
5.	M/s. The Rajagiri Rubber and Produce Co. Ltd. At the beginning of the year 01-Apr-2019 At the end of the year 31-Mar-2020	2000 2000	0.43 0.43	2000 2000	0.43 0.43
6.	Mrs. Priyalatha Thomas At the beginning of the year 01-Apr-2019 At the end of the year 31-Mar-2020	500 500	0.11 0.11	500 500	0.11 0.11
7.	Mr. Ashwin Thomas At the beginning of the year 01-Apr-2019 At the end of the year 31-Mar-2020	500 500	0.11 0.11	500 500	0.11 0.11
8.	Mr.Divesh Thomas At the beginning of the year 01-Apr-2019 Purchases on 07-Jun-2019 At the end of the year 31-Mar-2020	0 100 100	0 0.02 0.02	0 100 100	0 0.02 0.02



## 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 - 01.04.2019		Cumulative Shareholding during the year - 31.03.2020	
		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-2019 At the end of the Year 31-Mar-2020	5938 5938	1.26 1.26	5938 5938	1.26 1.26
2	Pamela Mohan At the beginning of the year 01-Apr-2019 At the end of the Year 31-Mar-2020	5937 5937	1.26 1.26	5937 5937	1.26 1.26
3	Investor Education and Protection Fund Authority Ministry of Corporate Affairs At the beginning of the year 01-Apr-2019 At the end of the year 31-Mar-2020	4515 4515	0.96 0.96	4515 4515	0.96 0.96
4	Pauly Investments (P) Ltd At the beginning of the year 01-Apr-2019 At the end of the Year 31-Mar-2020	4500 4500	0.96 0.96	4500 4500	0.96 0.96
5	Central Bank of India At the beginning of the year 01-Apr-2019 At the end of the Year 31-Mar-2020	3500 3500	0.74 0.74	3500 3500	0.74 0.74
6	Meenakshi Meyyappan JT1: Mr.M.Meyyappan At the beginning of the year 01-Apr-2019 At the end of the Year 31-Mar-2020	2300 2300	0.49 0.49	2300 2300	0.49 0.49
7	Alyamma George At the beginning of the year 01-Apr-2019 At the end of the Year 31-Mar-2020	2000 2000	0.43 0.43	2000 2000	0.43 0.43
8	Cyrus Sorabji Jokhi JT1: Mrs.Bakhtawar Marezbani Canteenwalla At the beginning of the year 01-Apr-2019 At the end of the Year 31-Mar-2020	2000 2000	0.43 0.43	2000 2000	0.43 0.43
9	Zibi Jose PP At the beginning of the year 01-Apr-2019 At the end of the Year 31-Mar-2020	2000 2000	0.43 0.43	2000 2000	0.43 0.43
10	Gnanadoss D.A.S JT1.Grace Gnanadoss At the beginning of the year 01-Apr-2019 At the end of the Year 31-Mar-2020	1750 1750	0.37 0.37	1750 1750	0.37 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-2019	212609	45.22	212609	45.22
	Dematted on 02-May-2019	3	0.0006	212612	45.22
	At the end of the year 31-Mar-2020	212612	45.22	212612	45.22
2	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2019	157017	33.39	157017	33.39
	Dematted on 18- Oct-2019	3	0.0006	157020	33.39
	At the end of the year 31-Mar-2020	157020	33.39	157020	33.39
	<b>Key Managerial Personnel</b>				
1	Mr.R Venugopalan, Chief Financial Officer				
	At the beginning of the year 01-Apr-2019	70	0.01	70	0.01
	At the end of the Year 31-Mar-2020	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>	7,50,00,000	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	2,18,02,255	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
<b>Net Change Indebtedness</b>	9,68,02,255	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>	<b>9,68,02,255</b>	Nil	Nil	Nil
i) Principal Amount	9,68,02,255	Nil	Nil	Nil
ii) Interest due but not paid	6,91,801	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total(i + ii + iii)</b>	9,74,94,056	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			363.87

#### 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
1.	<b>Independent Directors</b>				
	Mr. P Shankar	2.8	-	-	2.8
	Mr. A D Bopana	1.8	-	-	1.8
	Mr. F.S.Mohan Eddy	2.5	-	-	2.5
	Total (1)	7.1	-	-	7.1
2.	<b>Other Non-Executive Directors</b>				
	Mr. Habib Hussain	0.9	-	-	0.9
	Mrs. Kavitha Vijay	1.6	-	-	1.6
	Total (2)	2.5	-	-	2.5
	<b>Total (1 + 2)</b>	9.6	-	-	9.6
	<b>Total Managerial Remuneration</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	72.60	72.60
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	24.45	24.45
	(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	97.05	97.05

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

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2020.

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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	3799.97
Prescribed CSR expenditure	76.00
Amount unspent (for last 3 years 2016-17, 2017-18 & 2018-19) - spent during the year	1.08

#### 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.	Engaged in sanitation, setting up homes, disaster management including relief rehabilitation and reconstruction activities.,	Promoting Healthcare and social development	Mumbai	Rs. 7.00 lakhs	Rs. 7.00 lakhs	Rs. 7.00 lakhs	Through Implementing Agency
2.	Engaged in sanitation, empowering women and environmental sustainability, etc.	Promoting Health Care and women empowerment	Chennai	Rs. 5.00 lakhs	Rs. 5.00 lakhs	Rs. 5.00 lakhs	Through Implementing agency
3.	Education & Life Skill training Support retiring artists in the field of Music, Dance	Promoting Arts and Science	Chennai	Rs. 5.00 lakhs	Rs. 5.00 lakhs	Rs. 5.00 lakhs	Through Implementing agency
4.	Promoting Health care including preventive health care (Food Safety)	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 rehabilitation and other related programme	Promoting rehabilitation programme	Chennai	Rs 2.00 lakhs	Rs 2.00 lakhs	Rs 2.00 lakhs	Through Implementing agency
6.	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
7.	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 shelter for HIV Positives orphans children	Chennai	Rs 3.00 lakhs	Rs 3.00 lakhs	Rs 3.00 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.	Promote fullness of life to the elderly by providing a home to meet physical, emotional, spiritual and social needs of the uncared sick, disabled, destitute elderly persons found in the city streets	Promoting home to poor sick, disabled destitute elderly persons	Chennai	Rs. 3.00 lakhs	Rs 3.00 lakhs	Rs 3.00 lakhs	Direct
9.	Rehabilitation, Care and support especially Children and Women and also promoting their rights and addressing their holistic empowerment	Promoting Health Care, and Empowering women	Kolkata	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
10.	Renovation of School Building	Promoting education, including special education and employment enhancing vocational skills among children	Tirunelveli	Rs 20.00 lakhs	Rs 20.00 lakhs	Rs 20.00 lakhs	Direct
11.	Eradicate poverty in South India through locally based NGOs.	Providing protection to animals and environmental welfare	Chennai	Rs 2.00 lakhs	Rs 2.00 lakhs	Rs 2.00 lakhs	Through Implementing Agency
12.	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 2.00 lakhs	Rs 2.00 lakhs	Rs 2.00 lakhs	Direct

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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
13.	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 2.00 lakhs	Rs 2.00 lakhs	Rs 2.00 lakhs	Direct
14.	Engaged in, providing proper sanitation facilities in villages and to set up health centers which provide medicine and to medical test free of cost	Promoting healthcare	Chennai	Rs 1.15 lakhs	Rs 1.15 lakhs	Rs 1.15 lakhs	Direct
	<b>Total CSR Spent</b>			<b>Rs 77.15 lakhs</b>	<b>Rs 77.15 lakhs</b>		

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

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### **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  
12th August, 2020

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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 31st March 2020, 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, 2020, 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 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.

##### **Emphasis of Matter**

As more specifically explained in Note 32 to the financial statements, the Company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the management report, its annexures, Board's Report including annexures, Director's Responsibility Report, 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

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

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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.

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 financial controls 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

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

### 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 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2020 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, 2020.
  - 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: Cochin  
Date : 12th August, 2020  
UDIN:20219922AAAAIF2022

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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) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Due to COVID-19, the company could not carry out physical verification of fixed assets towards the end of the year, however, subsequent to the year-end, pursuant to programme, certain fixed assets were physically verified by the management. In our opinion, and according to the information and explanations given to us, 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 during the year. In our opinion, the frequency of such verification is reasonable. Due to COVID-19, the company could not carry out physical verification of inventories as on the reporting date. The physical verification of the inventory was done by the management subsequent to the Balance Sheet date on partial lifting of the lockdown. We have relied on the management in this regard, since we could not observe the physical inventory verification because of travel restrictions imposed due to COVID-19. We have performed a roll-back procedure based on management physical verification to reconcile the book stock as on the reporting date. According to the information and explanations given to us and based on the alternate procedures performed as aforesaid, no material discrepancies were noticed on verification.
- 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.

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

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

Name of the Statute	Nature of the dues	Amount Disputed	Amount paid under protest pending final orders	Forum where dispute is pending
Kerala General Sales Tax Act	KGST Demand (1996-97, 97-98, 2000-01 & 2001-02) Assessments	19,35,052	17,17,583	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	Nil	Deputy Commissioner of Commercial Taxes, Alappuzha
Odisha Value Added Tax Act	Entry Tax Demand AY 2009-10 to 2012-13	20,31,006	7,00,000	Joint Commissioner of Commercial Taxes, Berhampur.

- 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) and term loans during the year. Accordingly Para 3 (ix) of the Order is not applicable.
- 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: Cochin  
Date : 12th August, 2020  
UDIN : 20219922AAAAIF2022



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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-2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control 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 31st March 2020 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: Cochin  
Date : 12th August, 2020  
UDIN : 20219922AAAAIF2022

# A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

## BALANCE SHEET AS AT 31ST MARCH, 2020

PARTICULARS	NOTE NO.	Amount in ₹ 31.03.2020	31.03.2019
<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	248,87,971	212,16,63,633
		<u>249,34,42,971</u>	<u>212,63,65,633</u>
<b>(2) Non-Current Liabilities</b>	4		
Long Term Borrowings		7,73,02,162	7,50,00,000
Long Term Provisions		1,95,79,740	2,04,49,881
<b>(3) Current Liabilities</b>	5		
(a) Short-term borrowings		10,78,87,702	Nil
(b) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises and		19,71,102	23,13,455
Total outstanding dues of creditors other than micro enterprises and small enterprises		36,52,33,592	44,65,20,746
(c) Other current liabilities		12,90,48,480	5,17,59,048
(d) Short-term provisions		33,12,72,094	16,40,66,216
		<u>93,54,12,970</u>	<u>66,46,59,465</u>
<b>TOTAL</b>		<b><u>352,57,37,843</u></b>	<b><u>288,64,74,979</u></b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant & Equipment			
(i) Tangible assets	6	40,43,63,553	24,93,00,306
(ii) Intangible Assets	6	4,34,024	Nil
(iii) Capital work-in-progress		1,62,500	11,50,94,868
(iv) Intangible Asset under Development		1,29,44,467	Nil
(b) Non-current investments	7	24,74,06,592	72,16,27,950
(c) Deferred Tax Asset	8	1,75,00,000	2,23,00,000
<b>(2) Current Assets</b>			
(a) Current Investments	9	70,47,40,707	28,60,563
(b) Inventories	10	119,95,78,031	107,71,02,641
(c) Trade receivables	11	32,06,63,869	35,28,56,915
(d) Cash and cash equivalents	12	15,39,31,030	4,88,65,038
(e) Short-term loans and advances	13	46,09,76,231	29,19,51,851
(f) Other current assets - Accrued Income		30,36,839	45,14,847
		<u>284,29,26,707</u>	<u>177,81,51,855</u>
Significant Accounting Policies	1		
<b>TOTAL</b>		<b><u>352,57,37,843</u></b>	<b><u>288,64,74,979</u></b>

Notes 1 to 13, Notes 24 to 38 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 : 12.08.2020

R.VENUGOPALAN  
Chief Financial Officer

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

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

PARTICULARS	NOTE NO.	Amount in ₹	
		31.03.2020	31.03.2019
I. Revenue from operations	14	810,00,97,523	847,46,58,641
II. Other Income	15	96,89,80,635	4,46,88,999
III. <b>Total Revenue</b>	(I + II)	<u>906,90,78,158</u>	<u>851,93,47,640</u>
IV. Expenses:			
Cost of Materials Consumed	16	434,42,70,375	446,26,24,809
Purchase of Stock-in-Trade		168,53,38,293	208,14,14,203
Changes in Inventories of Finished Goods & Stock in Trade	17	(13,28,41,688)	(61,67,278)
Employee Benefit Expense	18	37,82,29,995	34,39,77,163
Finance Costs	19	2,07,64,717	1,49,77,117
Depreciation and amortization expense		4,82,83,801	2,82,59,833
Selling Expenses	20	104,48,60,562	88,39,86,924
Manufacturing Expenses	21	19,72,16,789	15,33,93,847
Other Expenses	22	26,83,98,252	19,49,07,149
<b>Total Expenses</b>		<u>785,45,21,096</u>	<u>815,73,73,767</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		121,45,57,062	36,19,73,872
VI. Exceptional / Extra ordinary items		Nil	Nil
VII. Profit before tax	(V - VI)	<u>121,45,57,062</u>	<u>36,19,73,872</u>
VIII. Tax expense:			
Current tax		29,00,00,000	12,65,00,000
Deferred tax		48,00,000	(26,00,000)
IX. Profit/(Loss) for the period	(VII- VIII)	<u>91,97,57,062</u>	<u>23,80,73,872</u>
X. Earnings per equity share:			
(1) Basic	29	1,956.10	506.32
(2) Diluted	29	1,956.10	506.32

Notes 1 & 14 to 38 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 : 12.08.2020

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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items:	121,45,57,062	36,19,73,872
Adjustments for:		
Depreciation	4,82,83,801	2,82,59,833
Diminution in value of Investments	2,40,00,000	10,562
Profit on Sale of Assets / Investments	(95,28,80,662)	(2,59,51,434)
Interest / Dividend Received	(27,42,445)	( 70,14,028)
Provision for Gratuity / Leave Encashment	41,18,138	48,18,739
Interest Paid	2,07,64,717	1,49,77,118
	<u>(85,84,56,451)</u>	<u>1,51,00,790</u>
Operating Profit before Working Capital Changes	35,61,00,611	37,70,74,662
Adjustments for:		
Trade Receivables	3,21,93,047	3,22,81,202
Inventories	(12,24,75,393)	(17,43,57,629)
Trade Payables	(8,16,29,507)	(3,50,72,293)
Other current liabilities	1,36,31,506	47,709
Other current assets	(7,08,14,987)	81,16,920
	<u>(22,90,95,334)</u>	<u>(16,89,84,091)</u>
Cash Generated from Operations	12,70,05,277	20,80,90,571
Direct Taxes Paid	(8,88,21,725)	(13,30,51,269)
<b>Net Cash from Operating Activities</b>	<u>3,81,83,552</u>	<u>7,50,39,302</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sales of Fixed Assets	36,37,813	1,74,07,985
Purchase of Fixed Assets	(10,32,32,821)	(13,99,89,547)
Interest / Dividend Received	27,42,445	1,52,78,931
Purchase of Investments	(215,77,95,912)	(15,95,88,993)
Sale of Investments (Net of tax)	265,68,19,626	22,20,06,962
<b>Net Cash From Investing Activities</b>	<u>40,21,71,151</u>	<u>(4,48,84,662)</u>

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

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### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

	Amount in ₹	
	31.03.2020	31.03.2019
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Term Loan	23,02,162	7,50,00,000
Short - term Borrowings	10,78,87,702	Nil
Interest Paid	(2,07,64,717)	(1,49,77,118)
Dividend Paid (Including tax on Dividend)	(48,90,21,800)	(8,63,79,629)
<b>Net Cash From Financing Activities</b>	<u>(39,95,96,653)</u>	<u>(2,63,56,747)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<u>4,07,58,050</u>	<u>37,97,893</u>
Cash and Cash Equivalents as at 01.04.2019	4,05,05,563	3,67,07,669
Cash and Cash Equivalents as at 31.03.2020	<u>8,12,63,613</u>	<u>4,05,05,563</u>
	<u>4,07,58,050</u>	<u>37,97,893</u>

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 : 12.08.2020

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 2020

##### 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.

Leased hold land are capitalized at acquisition cost and amortized over the lease period.

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. Trade Marks and licenses are amortized over 3 years based from the date of asset available 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 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.

### **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 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, 2020

		Amount in ₹	
		31.03.2020	31.03.2019
<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 as on 31.03.2020		
		31.03.2020	31.03.2019
	Name of the shareholder	No of Shares Held	No of Shares Held
		% of Holding	% of Holding
	Mr.Ajit Thomas	2,12,612	2,12,612
		45.22	45.22
	Mr.Dilip Thomas	1,57,020	1,57,020
		33.39	33.39
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>			
<b>RESERVES AND SURPLUS</b>		31.03.2020	31.03.2019
		₹	₹
GENERAL RESERVE:			
As per last Balance Sheet		161,94,79,502	
Add: Transfer from Statement of Profit and Loss		25,00,00,000	
		186,94,79,502	161,94,79,502
		186,94,79,502	161,94,79,502
Surplus/(deficit) in the statement of Profit and Loss			
Balance as per last financial statements		50,21,84,131	44,91,37,913
Profit for the year		91,97,57,063	23,80,73,872
		142,19,41,194	68,72,11,785
<b>Less: Appropriations</b>			
Final Dividend on Equity Shares for FY 18-19 @ ₹75 per share (Previous year ₹75 per Share)		3,52,65,000	3,52,65,000
Tax on Final Dividend for FY 18-19		72,48,827	72,48,827
1st Interim Dividend on Equity shares for FY 19-20 @ ₹ 100 per share (Previous year ₹75 )		4,70,20,000	3,52,65,000
Tax on Interim Dividend for FY 19-20		96,65,101	72,48,827
2nd Interim Dividend on Equity shares for FY 19-20 @ ₹ 800 per share (Previous year ₹ Nil )		37,61,60,000	Nil
Tax on Interim Dividend for FY 19-20		7,73,20,797	Nil
Transfer to General Reserve		25,00,00,000	10,00,00,000
		80,26,79,725	176,92,42,156
Net surplus in the Statement of Profit and Loss		61,92,61,469	50,21,84,131
<b>Total reserves and surplus</b>		248,87,40,971	212,16,63,633

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

### NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 4:</b>		
<b>NON CURRENT LIABILITIES</b>		
<b>Long Term Borrowings - Secured - From Banks</b>	7,73,02,162	7,50,00,000
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 31.03.2020 - 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	Nil	3,31,677
Provision for Leave Encashment	1,95,79,740	2,01,18,204
	<u>1,95,79,740</u>	<u>2,04,49,881</u>
<b>NOTE - 5:</b>		
<b>CURRENT LIABILITIES</b>		
(a) Short term borrowings	10,78,87,702	Nil
The company's borrowing facilities comprising cash credit and other facilities of Rs.7860 Lakhs (Rs.4860 Lakhs) secured by hypothecation of inventories and book debts and equitable mortgage of land & building at Bodinaikanur and Salem. No loans have been guaranteed by Directors or Others Period and amount of continuing default as on 31-03-2020 - Nil		
(b) Trade payables		
(Refer Note: 28 for Details of dues to micro and small enterprises) and Total outstanding dues of Micro Enterprises and Small Enterprises	19,71,102	23,13,455
Total outstanding dues of creditors other than micro enterprises and small enterprises	36,52,33,592	44,65,20,745
(c) <b>Other Current Liabilities</b>		
- Term Loan - Current maturities of Long term Debt	1,95,00,000	Nil
- interest accrued and due on borrowings	6,91,894	1,61,390
- Unclaimed Dividend (The amount includes unpaid Interim Dividend declared on 23rd March 2020.)	6,90,27,000	53,69,075
- Advance from Customers	98,48,000	83,45,900
- Other Current Liabilities - Statutory Dues	2,75,86,586	3,53,87,684
- Security Deposits	23,95,000	24,95,000
	<u>12,90,48,480</u>	<u>5,17,59,049</u>
(d) <b>Short term Provisions</b>		
<b>Provision for Employee benefits (Refer Note: 34)</b>		
Provision for Gratuity	89,59,367	67,06,170
Provision for Leave Encashment	1,49,29,956	1,21,94,874
<b>Other provisions</b>		
Provision for Taxation	30,73,82,771	14,51,65,172
	<u>33,12,72,094</u>	<u>16,40,66,216</u>

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

## NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2020

**NOTE - 6:**

**NOTE - 6:**

**PROPERTY, PLANT & EQUIPMENT :**

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 1.4.2019	Additions**	Deductions	As at 31.3.2020	Upto 31.3.2019	For the Year	Withdrawn	Upto 31.3.2020	As at 31.3.2020	As at 31.3.2019
Land *	9,40,93,340	Nil	Nil	9,40,93,340	Nil	Nil	Nil	Nil	9,40,93,340	9,40,93,340
Agricultural 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
	1,63,06,667	Nil	Nil	1,63,06,667	Nil	Nil	Nil	Nil	1,63,06,667	1,63,06,667
Leasehold Land	1,63,06,667	Nil	Nil	1,63,06,667	Nil	Nil	Nil	Nil	1,63,06,667	1,63,06,667
	Nil	1,27,29,505	Nil	1,27,29,505	Nil	3,47,793	Nil	3,47,793	1,23,81,712	Nil
Buildings *	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	11,17,10,557	4,65,12,476	Nil	15,82,23,033	6,07,57,098	78,14,126	Nil	6,85,71,224	8,96,51,809	5,09,53,459
Plant & Equipment	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
	19,16,43,892	12,46,09,192	56,500	31,61,96,584	13,14,79,892	2,82,34,505	52,454	15,96,61,943	15,65,34,641	6,01,64,001
Furniture & Fixtures	17,66,04,420	1,50,89,470	50,000	19,16,43,890	11,93,85,866	1,21,41,523	47,499	13,14,79,891	6,01,64,000	5,72,18,552
	2,23,62,752	3,36,680	Nil	2,26,99,432	1,79,46,511	11,08,176	Nil	1,90,54,687	36,44,745	44,16,240
Vehicles	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
	8,62,78,438	2,03,85,750	1,12,64,712	9,53,99,476	6,29,11,838	1,03,45,066	96,08,067	6,36,48,837	3,17,50,639	2,33,66,600
TOTAL	8,73,07,696	47,42,989	57,72,249	8,62,78,436	5,82,54,431	99,62,095	53,04,689	6,29,11,837	2,33,66,599	2,90,53,263
	52,23,95,646	20,45,73,603	1,13,21,212	71,56,48,037	27,30,95,339	4,78,49,666	96,60,521	31,12,84,484	40,43,63,553	24,93,00,307
Previous Year	50,79,76,413	3,68,14,594	2,23,95,363	52,23,95,644	25,04,96,082	2,80,27,160	54,27,903	27,30,95,339	24,93,00,307	25,74,80,331

\* 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 ₹ 1,93,768.

\*\* During the year the amount of borrowing cost capitalised along with Property, Plant & Equipment is ₹ 28,17,847.

## INTANGIBLE ASSETS

[illegible]

# A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

## NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

### NOTE - 7:

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

Description	As at 1-4-2019			Additions			Deductions			As at 31-3-2020		
	No. of Shares/Units	Amount in ₹	No. of Shares/Units	Amount in ₹	No. of Shares/Units	Amount in ₹	No. of Shares/Units	Amount in ₹	No. of Shares/Units	Amount in ₹	No. of Shares/Units	Amount in ₹
<b>I. Investment in Equity Instruments</b>												
<b>A. QUOTED</b>												
Equity Shares - Fully Paid - up	5	19									5	19
Fertilizers & Chemicals (Travancore) Ltd.												19
<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
AVT Gavia Foods Pvt. Ltd (Associate Company) *	1,20,00,000	12,00,48,413									1,20,00,000	12,00,48,413
Madura Micro Finance Ltd	11,59,435	45,00,00,318									11,59,435	45,00,00,318
Grover Zampa Vineyards Ltd	22,25,463	14,55,94,400									22,25,463	14,55,94,400
		71,68,99,813										26,68,99,495
Diminution in value of investments		Nil										2,40,00,000
		71,68,99,813										24,28,99,495
* Being Private Limited Company, transfer of shares is restricted U/s 2(68)(i) of the Companies Act, 2013												
<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
		1,10,32,762										1,10,32,762
Less: Depreciation		63,04,644										65,25,684
		47,28,118										45,07,078
		72,16,27,950										24,74,06,592
<b>TOTAL</b>												
Aggregate amount of Quoted Investments (Market Value ₹ 162 P.Y. ₹ 255)		19									19	24,28,99,495
Aggregate amount of Unquoted Investments (Net of Diminution value of Investments)		71,68,99,813										1,10,32,762
Value of Investment Properties		1,10,32,762										(65,25,684)
Aggregate provision for depreciation in value of immovable properties		(63,04,644)										24,74,06,592
		72,16,27,950										

# A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

## NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

### NOTE - 8:

#### DEFERRED TAX ASSET (NET)

(Refer Note : 36)

Deferred Tax Assets

Deferred Tax Asset

	31.03.2020 ₹.	31.03.2019 ₹.
	1,75,00,000	2,23,00,000
	<b>1,75,00,000</b>	<b>2,23,00,000</b>

### NOTE - 9:

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

Description	As at 1-4-2019			Additions			Deductions			As at 31-3-2020		
	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>QUOTED</b>												
IN MUTUAL FUNDS :												
HDFC Overnight Fund	Nil	Nil	4,74,085	140,07,40,706	4,74,085	140,07,40,706			Nil		Nil	Nil
IDFC Arbitrage Fund Monthly - Dividend	Nil	Nil	40,86,170	5,21,67,148	40,86,170	5,21,67,148			Nil		Nil	Nil
HDFC Liquid Fund Growth	Nil	Nil	1,81,594	70,47,40,707	Nil	Nil			1,81,594	70,47,40,707		
ICICI Equity Arbitrage Fund - Reg. Div.	2,10,016	28,71,125	10,843	1,47,351	2,20,859	30,18,476			Nil		Nil	Nil
Less : Diminution in value		(10,562)				(10,562)			Nil		Nil	Nil
	2,10,016	28,60,563	47,52,692	215,77,95,912	47,81,114	145,59,15,768			1,81,594	70,47,40,707		
Aggregate amount of Quoted Investments (Market Value ₹ 70,52,40,525 P.Y. ₹ 28,60,563 )		28,60,563										70,47,40,707

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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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 10 :</b>		
<b>INVENTORIES:(Valued at lower of cost and net realisable value)</b>		
Raw Materials	67,04,96,441	61,00,04,970
Stores and Spares	6,68,10,678	7,77,24,778
Finished Goods		
- Packed Tea	12,66,67,676	10,39,04,672
- Packed Coffee	52,94,657	42,42,175
- Premix	23,37,151	7,02,393
- Roofing Sheets	70,15,219	27,12,302
- GI Pipe	5,54,19,231	Nil
Stock in Trade	24,45,81,618	19,57,60,564
Goods in Transit	2,09,55,360	8,20,50,787
	<u>119,95,78,031</u>	<u>107,71,02,641</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	3,86,78,277	2,74,44,536
(iii) Doubtful	88,48,230	9,59,316
	<u>4,75,26,507</u>	<u>2,84,03,852</u>
Less : Allowances for Bad and Doubtful Debt	88,48,230	9,59,316
	<u>3,86,78,277</u>	<u>2,74,44,536</u>
<b>(B) Trade receivables ( others)</b>		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	28,19,85,592	32,54,12,379
(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>28,19,85,592</u>	<u>32,54,12,379</u>
<b>Total</b>	<u><b>32,06,63,869</b></u>	<u><b>35,28,56,915</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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 12:</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Cash and Stamps on hand	9,90,568	6,85,584
Balance with banks		
- In Current Account	2,89,16,963	3,85,34,744
- In Deposit Account	<u>5,13,56,082</u>	<u>12,85,235</u>
	8,12,63,613	4,05,05,563
- In Dividend / Refund of Capital Account	6,90,27,000	53,69,075
- In Margin Money Deposit for Issue of Letters of Credit and Guarantee	<u>36,40,417</u>	<u>29,90,400</u>
	<u>7,26,67,417</u>	<u>83,59,475</u>
<b>Total</b>	<u>15,39,31,030</u>	<u>4,88,65,038</u>
Bank deposit with more than 12 months maturity	10,00,000	10,25,000

**NOTE - 13:**

**SHORT TERM LOANS & ADVANCES:**

Considered good - Unsecured		
Advances recoverable in cash or in kind or for value to be received	1,15,03,038	1,95,82,600
Input tax credit receivable	10,45,55,627	9,83,89,983
Tax payments pending adjustment	29,14,23,961	13,03,84,634
Capital Advance	1,08,48,000	Nil
Advance to Suppliers	2,01,03,776	2,75,84,075
Deposits	2,00,30,405	1,56,85,384
Balance with Customs, Port Trust etc.,	<u>25,11,424</u>	<u>3,25,175</u>
	<u>46,09,76,231</u>	<u>29,19,51,851</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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 14:</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>SALE OF PRODUCTS</b>		
- Tea, Coffee & Premix	562,04,28,016	537,16,54,982
- Traded Goods	175,09,82,575	229,08,02,873
- Roofing Materials & Pipes	45,95,79,350	49,24,67,216
	<hr/> 783,09,89,941	<hr/> 815,49,25,071
Less : Trade Discount	12,00,66,796	10,48,35,452
	<hr/> 771,09,23,145	<hr/> 805,00,89,619
<b>SALE OF SERVICES - Logistics</b>	38,23,51,986	41,29,04,937
<b>OTHER OPERATING REVENUE</b>		
Export Incentives	68,22,392	1,16,64,085
	<hr/> 810,00,97,523	<hr/> 847,46,58,641
<b>NOTE - 15:</b>		
<b>OTHER INCOME :</b>		
Interest	4,27,949	29,59,398
Income from Investments - Long term	Nil	60,038
Income from Investments - Short term	23,14,496	39,94,592
Rent	1,73,900	1,64,552
Service Income	60,000	60,000
Profit on Sale of Current Investments	95,09,03,540	2,55,10,909
Profit on Sale of Tangible Assets	19,77,122	4,40,525
Insurance Claims	62,23,345	42,21,212
Exchange Fluctuation Gain	14,18,620	3,40,890
Provision no longer required written back	10,565	Nil
Miscellaneous Income	54,71,098	69,36,883
	<hr/> 96,89,80,635	<hr/> 4,46,88,999

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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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 16:</b>		
<b>COST OF MATERIALS CONSUMED: (Refer Note 23)</b>		
Garden Tea	352,68,35,133	361,84,35,811
Coffee	6,72,11,270	6,23,49,610
Chicory	1,78,47,730	1,83,20,602
Roofing Materials	44,93,45,996	50,11,84,601
Premix	2,57,30,239	2,07,93,179
Packing & Other Materials	25,73,00,007	24,15,41,006
	434,42,70,375	446,26,24,809
<b>NOTE - 17:</b>		
<b>CHANGES IN INVENTORIES</b>		
<b>INCREASE(-) / DECREASE (+) IN STOCK</b>		
<b>Opening 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
<b>Closing Stock</b>		
Packed Tea	12,66,67,676	10,39,04,672
Packed Coffee	52,94,657	42,42,175
Traded Goods	24,50,64,618	19,84,72,866
GI Pipe	5,54,19,231	
Manufactured Goods	70,15,219	
	43,94,61,401	30,66,19,713
	(13,28,41,688)	(61,67,278)
<b>NOTE- 18:</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	32,20,12,000	29,13,24,133
Contribution to Provident and Other Funds	3,48,88,541	3,29,52,876
Provision for Gratuity (Refer Note 34)	22,53,197	2,01,212
Provision for Leave Encashment (Refer Note 34)	30,34,794	46,17,527
Welfare	1,60,41,463	1,48,81,415
	37,82,29,995	34,39,77,163
<b>NOTE- 19:</b>		
<b>FINANCE COST</b>		
Interest Expenses	2,07,64,717	1,49,77,117
	2,07,64,717	1,49,77,117

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

### NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 20: SALES EXPENSES:</b>		
Freight & Transport	19,87,55,566	16,76,28,695
Shipment Expenses	33,91,77,312	35,23,21,563
Insurance	10,50,009	21,00,000
Commission	42,60,844	99,79,781
Advertisement	13,62,77,656	7,33,40,119
Consumer Offer	12,76,78,895	10,27,22,856
Discounts to Consumers	10,58,19,968	8,74,36,350
Dealer incentives	10,96,69,617	6,93,61,421
C&F Expenses	14,08,140	8,29,200
Business Promotion	2,07,62,555	1,82,66,939
	<u>104,48,60,562</u>	<u>88,39,86,924</u>
<b>NOTE - 21: MANUFACTURING EXPENSES</b>		
Packing charges	13,34,03,639	10,60,01,431
Power and Fuel	1,32,82,255	55,43,757
Rent	3,06,63,069	2,50,10,639
Repairs and Maintenance		
- Buildings	71,71,173	83,93,428
- Machinery	80,62,345	84,44,592
C&F Charges	8,93,898	Nil
Business Promotion	37,40,410	Nil
	<u>19,72,16,789</u>	<u>15,33,93,847</u>
<b>NOTE - 22: OTHER EXPENSES</b>		
Power and Fuel	31,07,158	33,89,519
Rent	1,45,09,020	1,61,56,880
Rates and Taxes	68,38,883	39,09,285
Insurance	73,26,940	38,32,121
Travelling Expenses	5,37,85,101	5,12,50,026
Repairs and Maintenance		
- Buildings	83,02,230	62,23,272
- Machinery	84,86,361	77,25,871
- Vehicles	2,17,28,882	1,70,23,247
- Others	8,89,565	8,79,490
Directors' Sitting Fees	9,60,000	9,00,000
Payment to Statutory Auditors		
- As Auditors	24,00,000	20,00,000
- For Tax Audit /Certification	14,14,000	11,90,500
- For Reimbursement of expenses	1,98,000	1,15,000
CSR Expenditure (Refer Note: 33)	77,15,200	77,50,000
Provision for Bad and Doubtful Debts	78,88,914	Nil
Diminution in value of investments	2,40,00,000	10,562
Loss on Sale of Plant Property & Equipment	Nil	26,02,592
Professional and Legal Fees	4,20,89,827	1,97,17,491
Miscellaneous Expenses	5,67,58,171	5,02,31,293
	<u>26,83,98,252</u>	<u>19,49,07,149</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, 2020

		31.03.2020	31.03.2019	
NOTE - 23:				
PARTICULARS OF MATERIALS CONSUMPTION				
Materials Consumed	Qty (MT)	Value	Qty (MT)	Value
Garden Tea	%	₹	%	₹
Indigenous	99.89	352,28,24,194	100	360,77,54,703
Imported	0.11	40,10,939	0.30	1,06,81,108
		<u>352,68,35,133</u>		<u>361,84,35,811</u>
Roofing Materials				
Indigenous	100	<u>44,93,45,996</u>	100	<u>50,11,84,601</u>
Raw Coffee and Chicory				
Indigenous	100	<u>8,50,59,000</u>	100	<u>8,06,70,212</u>
Premix				
Indigenous	100	<u>2,57,30,239</u>	100	<u>2,07,93,179</u>
Packing and Other Materials				
Indigenous	100	25,73,00,007	100	24,15,41,006
Imported		-		-
		<u>25,73,00,007</u>		<u>24,51,41,006</u>
			Amount in ₹	
			31.03.2020	31.03.2019
24	Earnings in Foreign Exchange			
	F.O.B. Value of Exports		9,92,41,834	19,00,04,898
25	Expenditure in Foreign Currency			
	Travelling		33,91,672	51,29,782
	Commission		Nil	53,83,558
	Advertisement & Sales Promotion		22,60,834	7,87,839
	Subscription		19,98,675	Nil
26	CIF Value of Imports			
	Garden Tea		40,10,939	1,06,81,108
	Capital Goods		2,54,34,500	35,91,239
	Stock in Trade		67,30,250	Nil
	Packing Materials		Nil	Nil
	Stores and Spares		Nil	8,94,807

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

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

		Amount in ₹	
		31.03.2020	31.03.2019
<b>27 Sundry Debtors include</b>			
Debts due by Private Limited Companies in which Director/s are interested as Director/s.			
AVT McCormick Ingredients Private Limited	65,03,436	75,86,551	
A V Thomas Leather & Allied Products Private Limited	30,75,760	58,51,220	
AVT Gavia Foods Private Limited	72,900	Nil	
Alina Private Limited	60,26,498	38,75,994	
<b>28 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 2020 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	19,71,102	23,13,455	
(ii) Principal due to Medium Enterprise	21,77,165	26,25,540	
(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 Earnings Per Share</b>			
Profit after Taxation	91,97,57,062	23,80,73,872	
Number of Equity Shares outstanding at the end of the year	4,70,200	4,70,200	
Earnings per share (Basic and Diluted)	1956.10	506.32	

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

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<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	1,40,86,617	1,54,45,132

### 31 DIVIDEND

The Board of Directors in its meeting on 12th August 2020, have proposed a final dividend of Rs.100 Per Equity Share for financial year ended 31st March 2020. The proposal is subject to the approval of Shareholders at the Annual General Meeting to be held on 21st September 2020 and if approved, would result in a cash out flow of approximately Rs.4.70 Crores.

### 32 IMPACT OF COVID19

The outbreak of CORONA Virus (COVID 19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In the preparation of financial statements, the company has considered probable effects from the pandemic relating to COVID 19 on the carrying amount of the Inventories, Receivables, other assets and the possible impacts of non fulfilment of liabilities. The company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there were few business segments which are affected. However there is no material impact on the financial results of the company.

The extent of the impact of COVID 19 on the future operational and finance performance will depend on certain developments including the duration and spread of the out break, the future impact on employees, vendors all of which are uncertain and cannot be predicted. As the impact of COVID 19, if any on the future operational and financial performance of the company would be different from management estimates in this regard, the company will continue to closely monitor any changes as they emerge.

### 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 ₹ 76,00,000 (PY ₹ 77,50,000)

(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	20,00,000	Nil	20,00,000
(b) Rehabilitation Programs	4,00 000	Nil	4,00,000
(c) Health Care	6,15 200	Nil	6,15,200
(d) Measures for reducing inequalities faced by socially and economically backward group	10,00,000	Nil	10,00,000
(e) Eradicating hunger, poverty and malnutrition, and sanitation	12,00,000	Nil	12,00,000
(f) Education & employment	25,00,000	Nil	25,00,000
<b>Total</b>	<b>77,15,200</b>		<b>77,15,200</b>

During the year, the Company has incurred an additional sum of Rs.1.07 Lakhs being the unspent amount for last years.

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

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

#### 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:

	<b>31.3.2020</b>		<b>31.3.2019</b>	
	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	6,39,21,704	3,23,13,078	5,70,98,183	2,76,95,551
Current Service Cost	55,77,632	95,74,237	49,49,921	53,52,253
Interest Cost	45,51,372	21,47,563	41,07,023	18,40,747
Benefits Paid	( 34,88,985)	( 59,49,560)	( 16,75,175)	( 49,59,666)
Actuarial loss / (gain)	( 18,021)	( 35,75,622)	( 5,58,248)	23,84,193
Present Value of the Obligation as at end of the period	7,05,43,702	3,45,09,696	6,39,21,704	3,23,13,078
<b>c) Reconciliation of changes in the fair value of Plan Assets:</b>				
Fair Value of Plan Assets at beginning of period	5,72,15,534	Nil	5,05,46,180	Nil
Expected return on plan assets	42,06,900	Nil	39,74,800	Nil
Contribution by the Company	40,00,000	59,49,560	45,00,000	49,59,666
Benefits Paid	( 34,88,985)	( 59,49,560)	( 16,75,175)	( 49,59,666)
Actuarial gain / (loss)	( 3,49,114)	Nil	( 1,30,271)	Nil
Fair Value of Plan Assets at end of period	6,15,84,335	Nil	5,72,15,534	Nil
<b>d) The total expense recognised in the statement of profit and loss is as follows:</b>				
Current Service Cost	55,77,632	95,74,237	49,49,921	53,52,253
Interest Cost	45,51,372	21,47,563	41,07,023	18,40,747
Expected return on plan assets	( 42,06,900)	N.A	( 39,74,800)	N.A
Net Actuarial (gain) / loss recognised in the year	3,31,093	( 35,75,622)	( 4,27,977)	23,84,193
	62,53,197	81,46,178	46,54,167	95,77,193
<b>e) Reconciliation of Net Liability recognised in the Balance Sheet</b>				
Net Liability as at the beginning of the year	67,06,170	3,23,13,078	65,52,003	2,76,95,551
Add : Expense as (d) above	62,53,197	81,46,178	46,54,167	95,77,193
Less: Employers Contribution / Payment	( 40,00,000)	( 59,49,560)	( 45,00,000)	( 49,59,666)
Net Liability as at the end of the year	89,59,367	3,45,09,696	67,06,170	3,23,13,078

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

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### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

34 Employee Benefits: (Contd.)	31.3.2020		31.3.2019	
	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	6,15,84,335	Not Applicable	5,72,15,534	Not Applicable
g) Principal actuarial assumptions used as at the Balance Sheet date:				
Discount Rate	6.80%	6.80%	7.32%	7.32%
Salary Escalation Rate	5.00%	5.00%	6.50%	6.50%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	6.80%	NA	7.32%	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:

	31.03.2020 ₹	31.03.2019 ₹	31.03.2018 ₹	31.03.2017 ₹	31.03.2016 ₹
Gratuity - Funded Plan					
Defined benefit obligation	7,05,43,702	6,39,21,704	5,70,98,183	5,28,82,278	4,55,01,510
Plan Assets	6,15,84,335	5,72,15,534	5,05,46,180	4,65,24,285	4,06,13,531
Surplus/(Deficit)	( 89,59,367)	( 67,06,170)	( 65,52,003)	( 63,57,993)	( 48,87,979)
Experience adjustment - Plan Liabilities	( 18,021)	( 5,58,248)	( 2,89,985)	16,35,600	14,28,043
Experience adjustment - Plan Assets	( 3,49,114)	( 1,30,271)	( 4,29,858)	( 1,98,978)	( 2,22,430)

The Company expects to fund ₹ 50 Lakhs towards its gratuity plan during the year 2020/21.

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 ₹ 2,91,18,496 as expense towards contributions to these plans.



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

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

#### 35 Segment Information:

The Company has identified business segments as its primary segment. The Company has identified three reportable segments viz. Consumer Products, Roofing Materials and Logistics 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	Consumer Products	Roofing Materials	Logistics	Unallocable	Total
<b>Segment Revenue</b>					
External Revenue	566,06,03,084	205,71,42,453	38,23,51,986		810,00,97,523
	<i>527,33,93,427</i>	<i>278,83,60,276</i>	<i>41,29,04,938</i>		<i>847,46,58,641</i>
Inter-Segment Revenue					
<b>Total Revenue</b>	<b>566,06,03,084</b>	<b>205,71,42,453</b>	<b>38,23,51,986</b>		<b>810,00,97,523</b>
<b>Segment Result</b>	<b>315754104</b>	<b>2,13,96,666</b>	<b>26,93,060</b>		<b>33,98,43,830</b>
	<i>333731817</i>	<i>3,03,42,142</i>	<i>1,45,04,492</i>		<i>37,85,78,451</i>
Less: Unallocated Corporate Income over Expense				89,54,77,952	89,54,77,952
				<i>(16,28,461)</i>	<i>(16,28,461)</i>
<b>Segment Result before Exceptional and non recurring items, interest and taxes</b>	<b>31,57,54,104</b>	<b>2,13,96,666</b>	<b>26,93,060</b>	<b>89,54,77,952</b>	<b>123,53,21,782</b>
	<i>33,37,31,817</i>	<i>3,03,42,142</i>	<i>1,45,05,492</i>	<i>(16,28,461)</i>	<i>37,69,50,990</i>
Less: Finance Costs				(2,07,64,717)	(2,07,64,717)
				<i>(1,49,77,118)</i>	<i>(1,49,77,118)</i>
<b>Segment Result before Exceptional and non recurring items, taxes</b>	<b>31,57,54,104</b>	<b>2,13,96,666</b>	<b>26,93,060</b>	<b>87,47,13,235</b>	<b>121,45,57,065</b>
	<i>33,37,31,817</i>	<i>3,03,42,142</i>	<i>1,45,05,492</i>	<i>(1,66,05,579)</i>	<i>36,19,73,872</i>
Less: Provision for Taxation				29,00,00,000	29,00,00,000
				<i>(12,65,00,000)</i>	<i>(12,65,00,000)</i>
Add: Deferred Tax Asset				48,00,000	48,00,000
				<i>(26,00,000)</i>	<i>(26,00,000)</i>
<b>Segment Result after Tax</b>	<b>31,57,54,104</b>	<b>2,13,96,666</b>	<b>26,93,060</b>	<b>57,99,13,232</b>	<b>91,97,57,062</b>
	<i>33,37,31,817</i>	<i>3,03,42,142</i>	<i>1,45,05,492</i>	<i>(14,05,05,579)</i>	<i>23,80,73,872</i>

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

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

**(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>89,73,05,187</b>	<b>45,14,02,348</b>	<b>6,23,45,970</b>	<b>(141,10,53,505)</b>	-
<i>(Segment Assets - Segment Liabilities)</i>	<i>69,80,74,290</i>	<i>49,17,96,879</i>	<i>7,61,49,205</i>	<i>(126,60,20,374)</i>	-
Capital Expenditure	<b>4,02,87,016</b>	<b>15,21,20,284</b>	-	<b>1,28,13,422</b>	<b>20,52,20,722</b>
	<i>2,66,74,694</i>	<i>1,01,39,902</i>	-	-	<i>3,68,14,596</i>
Depreciation	<b>1,81,63,370</b>	<b>2,29,41,039</b>	<b>9,29,234</b>	<b>60,29,119</b>	<b>4,80,62,762</b>
	<i>1,40,21,655</i>	<i>63,16,211</i>	<i>16,94,531</i>	<i>59,94,762</i>	<i>2,80,27,159</i>

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

The Consumer Products segment includes sale of tea, coffee in packet, bulk and dairy products

The Roofing Materials segment includes Manufacturing and trading of Roofing Materials and Aluminium, GI & 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
<b>36 Deferred Tax Asset</b>	<b>31.03.2020</b>	
Tax Impact of difference between carrying amount of Fixed Assets in the Financial Statements and the income tax returns	59,00,000	77,00,000
Tax impact of expenses charged in the financial statements but allowable as deduction in future years under Income Tax	1,16,00,000	1,46,00,000
Deferred Tax Asset	<b>1,75,00,000</b>	<b>2,23,00,000</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, 2020

#### 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 Natural Europe Ltd ( formerly 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
- AVT Natural North America Inc.

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

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

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

Amount in ₹

Details of Transactions:	31.03.2020		31.03.2019	
	Associate Companies/Trust	Key Management Personnel (Including Relatives)	Associate Companies/Trust	Key Management Personnel (Including Relatives)
<b>INCOME:</b>				
Sales	99,57,552	Nil	1,26,02,431	Nil
C&F and Warehousing Charges	9,94,01,391	Nil	5,92,42,486	Nil
Rent	1,41,400	Nil	1,40,552	Nil
Service Charges	60,000	Nil	60,000	Nil
Dividend Received	Nil	Nil	60,038	Nil
<b>EXPENDITURE:</b>				
Purchases	89,18,33,674	Nil	83,71,12,571	Nil
Rent	14,00,007	Nil	16,52,000	Nil
Comission Paid / C&F	1,24,90,434	Nil	1,06,34,556	Nil
Remuneration	Nil	2,14,84,600	Nil	2,07,96,400
Purchase of Fixed Assets	Nil	Nil	Nil	Nil
Professional Fee	Nil	Nil	Nil	Nil
Donation Paid	1,00,00,000	Nil	1,25,00,000	Nil
Dividend Paid	1,88,22,375	36,14,63,700	30,60,075	5,49,87,900
<b>OTHERS</b>				
Investments in Shares	Nil	Nil	15,55,94,400	Nil
Balance as on 31st March 2020				
Debit Balance	2,26,84,145	Nil	2,51,63,545	Nil
Credit Balance	5,57,88,992	Nil	5,86,96,863	Nil

**38** 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

P.SHANKAR  
Director

Place : Chennai  
Date : 12.08.2020

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 %
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	7,05,30,000	1500
2019-2020	121,45,57,062	4,82,83,801	29,48,00,000	248,87,40,971	4,70,20,000	1000*
					37,61,60,000	8000*
					4,70,20,000	1000**

\* 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 31st 2020, 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, 2020, 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.

##### **Emphasis of Matter**

As more specifically explained in Note 32 to the Consolidated Financial Statements, the Holding Company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of the financial results. The Holding Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Our opinion is not modified in respect of this matter.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the 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.



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

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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 Holding 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; 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.

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

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- 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 Holding 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

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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.

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

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### **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 Holding 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 Holding Company as on 31st March 2020 taken on record by the Board of Directors of the Holding 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 2020 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 Holding 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 Holding 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 Holding Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2020
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate companies incorporated in India.

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

**Place : Kochi**  
**Date : 12th August 2020**  
**UDIN : 20219922AAAAIO8861**

**G Rengarajan**  
**Partner**  
**Membership No. 219922**

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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, 2020, we have audited the internal financial controls over financial reporting of AV 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, 2020, 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**

**Place : Kochi**  
**Date : 12th August 2020**  
**UDIN : 20219922AAAAIO8861**

**G Rengarajan**  
**Partner**  
**Membership No. 219922**

# A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

PARTICULARS	NOTE NO.	Amount in ₹ 31.03.2020	31.03.2019
<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	239,98,33,105	203,60,97,372
		<u>240,45,35,105</u>	<u>204,07,99,372</u>
<b>(2) Non-Current Liabilities</b>	4		
Long Term Borrowings		7,73,02,162	7,50,00,000
Long Term Provisions		1,95,79,740	2,04,49,881
<b>(3) Current Liabilities</b>	5		
(a) Short-term borrowings		10,78,87,702	Nil
(b) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises and		19,71,102	23,13,455
Total outstanding dues of creditors other than micro enterprises and small enterprises		36,52,33,592	44,65,20,746
(c) Other current liabilities		12,90,48,480	5,17,59,048
(d) Short-term provisions		33,12,72,094	16,40,66,216
		<u>93,54,12,970</u>	<u>66,46,59,465</u>
<b>TOTAL</b>		<b><u>343,68,29,977</u></b>	<b><u>280,09,08,718</u></b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant & Equipment			
(i) Tangible assets	6	40,43,63,553	24,93,00,306
(ii) Intangible Assets	6	4,34,024	Nil
(iii) Capital work-in-progress		1,62,500	11,50,94,868
(iv) Intangible Asset under Development		1,29,44,467	Nil
(b) Non-current investments	7	15,84,98,727	63,60,61,689
(c) Deferred Tax Asset	8	1,75,00,000	2,23,00,000
<b>(2) Current Assets</b>			
(a) Current Investments	9	70,47,40,707	28,60,563
(b) Inventories	10	119,95,78,031	107,71,02,641
(c) Trade receivables	11	32,06,63,869	35,28,56,915
(d) Cash and cash equivalents	12	15,39,31,030	4,88,65,038
(e) Short-term loans and advances	13	46,09,76,231	29,19,51,851
(f) Other current assets - Accrued Income		30,36,839	45,14,847
		<u>284,29,26,707</u>	<u>177,81,51,855</u>
Significant Accounting Policies	1		
<b>TOTAL</b>		<b><u>343,68,29,977</u></b>	<b><u>280,09,08,718</u></b>

Notes 1 to 13, Notes 24 to 38 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 : 12.08.2020

R.VENUGOPALAN  
Chief Financial Officer

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

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

PARTICULARS	NOTE NO.	Amount in ₹	
		31.03.2020	31.03.2019
I. Revenue from operations	14	810,00,97,523	847,46,58,641
II. Other Income	15	96,89,80,635	4,46,88,999
III. <b>Total Revenue</b>	(I + II)	<u>906,90,78,158</u>	<u>851,93,47,640</u>
IV. Expenses:			
Cost of Materials Consumed	16	434,42,70,375	446,26,24,809
Purchase of Stock-in-Trade		168,53,38,293	208,14,14,203
Changes in Inventories of Finished Goods & Stock in Trade	17	(13,28,41,688)	(61,67,278)
Employee Benefit Expense	18	37,82,29,995	34,39,77,163
Finance Costs	19	2,07,64,717	1,49,77,117
Depreciation and amortization expense		4,82,83,801	2,82,59,833
Selling Expenses	20	104,48,60,562	88,39,86,924
Manufacturing Expenses	21	19,72,16,789	15,33,93,847
Other Expenses	22	26,83,98,252	19,49,07,149
<b>Total Expenses</b>		<u>785,45,21,096</u>	<u>815,73,73,767</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		121,45,57,062	36,19,73,872
VI. Exceptional / Extra ordinary items		Nil	Nil
VII. Profit before tax	(V - VI)	<u>121,45,57,062</u>	<u>36,19,73,872</u>
VIII. Tax expense:			
Current tax		29,00,00,000	12,65,00,000
Deferred tax		48,00,000	(26,00,000)
IX. Profit/(Loss) for the period	(VII- VIII)	<u>91,97,57,062</u>	<u>23,80,73,872</u>
X. Share of Profit/(Loss) of Associates		(33,41,604)	(29,15,588)
		<u>91,64,15,458</u>	<u>23,51,58,284</u>
XI. Earnings per equity share:			
(1) Basic	29	1,948.99	500.12
(2) Diluted	29	1,948.99	500.12

Notes 1 & 14 to 38 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 : 12.08.2020

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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items:	121,45,57,062	36,19,73,872
Adjustments for:		
Depreciation	4,82,83,801	2,82,59,833
Diminution in value of Investments	2,40,00,000	10,562
Profit on Sale of Assets / Investments	(95,28,80,662)	(2,59,51,434)
Interest / Dividend Received	(27,42,445)	( 70,14,028)
Provision for Gratuity / Leave Encashment	41,18,138	48,18,739
Interest Paid	2,07,64,717	1,49,77,118
	<u>(85,84,56,451)</u>	<u>1,51,00,790</u>
Operating Profit before Working Capital Changes	35,61,00,611	37,70,74,662
Adjustments for:		
Trade Receivables	3,21,93,047	3,22,81,202
Inventories	(12,24,75,393)	(17,43,57,629)
Trade Payables	(8,16,29,507)	(3,50,72,293)
Other current liabilities	1,36,31,506	47,709
Other current assets	(7,08,14,987)	81,16,920
	<u>(22,90,95,334)</u>	<u>(16,89,84,091)</u>
Cash Generated from Operations	12,70,05,277	20,80,90,571
Direct Taxes Paid	(8,88,21,725)	(13,30,51,269)
<b>Net Cash from Operating Activities</b>	<u>3,81,83,552</u>	<u>7,50,39,302</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sales of Fixed Assets	36,37,813	1,74,07,985
Purchase of Fixed Assets	(10,32,32,821)	(13,99,89,547)
Interest / Dividend Received	27,42,445	1,52,78,931
Purchase of Investments	(215,77,95,912)	(15,95,88,993)
Sale of Investments (Net of tax)	265,68,19,626	22,20,06,962
<b>Net Cash From Investing Activities</b>	<u>40,21,71,151</u>	<u>(4,48,84,662)</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, 2020 (Contd.)

	Amount in ₹	
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Term Loan	23,02,162	7,50,00,000
Short - term Borrowings	10,78,87,702	Nil
Interest Paid	(2,07,64,717)	(1,49,77,118)
Dividend Paid (Including tax on Dividend)	(48,90,21,800)	(8,63,79,629)
<b>Net Cash From Financing Activities</b>	<u>(39,95,96,653)</u>	<u>(2,63,56,747)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<u>4,07,58,050</u>	<u>37,97,893</u>
Cash and Cash Equivalents as at 01.04.2019	4,05,05,563	3,67,07,669
Cash and Cash Equivalents as at 31.03.2020	<u>8,12,63,613</u>	<u>4,05,05,563</u>
	<u>4,07,58,050</u>	<u>37,97,893</u>

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 : 12.08.2020

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 2020

##### 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.

Leased hold land are capitalized at acquisition cost and amortized over the lease period.

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. Trade Marks and licenses are amortized over 3 years based from the date of asset available 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 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 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, 2020

		Amount in ₹			
		31.03.2020	31.03.2019		
<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 as on 31.03.2020				
		31.03.2020	31.03.2019		
	Name of the shareholder	No of Shares Held	% of Holding	No of Shares Held	% of Holding
	Mr.Ajit Thomas	2,12,612	45.22	2,12,612	45.22
	Mr.Dilip Thomas	1,57,020	33.39	1,57,020	33.39
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>		31.03.2020	31.03.2019		
<b>RESERVES AND SURPLUS</b>		₹	₹	₹	
GENERAL RESERVE:					
As per last Balance Sheet		162,14,11,010			
Add: Transfer from Statement of Profit and Loss		25,00,00,000			
			187,14,11,010	162,14,11,010	
Surplus/(deficit) in the statement of Profit and Loss			187,14,11,010	162,14,11,010	
Balance as per last financial statements			41,46,86,362	36,45,55,732	
Profit for the year			91,64,15,458	23,51,58,284	
			133,11,01,820	59,97,14,016	
<b>Less: Appropriations</b>					
Final Dividend on Equity Shares for FY 18-19 @ ₹75 per share (Previous year ₹75 per Share)			3,52,65,000	3,52,65,000	
Tax on Final Dividend for FY 18-19			72,48,827	72,48,827	
1st Interim Dividend on Equity shares for FY 19-20 @ ₹ 100 per share (Previous year ₹75 )			4,70,20,000	3,52,65,000	
Tax on Interim Dividend for FY 19-20			96,65,101	72,48,827	
2nd Interim Dividend on Equity shares for FY 19-20 @ ₹ 800 per share (Previous year ₹ Nil )			37,61,60,000	Nil	
Tax on Interim Dividend for FY 19-20			7,73,20,797	Nil	
Transfer to General Reserve			25,00,00,000	10,00,00,000	
			80,26,79,725	18,50,27,654	
Net surplus in the Statement of Profit and Loss			52,84,22,095	41,46,86,362	
<b>Total reserves and surplus</b>			239,98,33,105	203,60,97,372	

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

### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 4:</b>		
<b>NON CURRENT LIABILITIES</b>		
<b>Long Term Borrowings - Secured - From Banks</b>	7,73,02,162	7,50,00,000
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 31.03.2020 - 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	Nil	3,31,677
Provision for Leave Encashment	1,95,79,740	2,01,18,204
	<u>1,95,79,740</u>	<u>2,04,49,881</u>
<b>NOTE - 5:</b>		
<b>CURRENT LIABILITIES</b>		
(a) Short term borrowings	10,78,87,702	Nil
The company's borrowing facilities comprising cash credit and other facilities of Rs.7860 Lakhs (Rs.4860 Lakhs) secured by hypothecation of inventories and book debts and equitable mortgage of land & building at Bodinaikanur and Salem. No loans have been guaranteed by Directors or Others Period and amount of continuing default as on 31-03-2020 - 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	19,71,102	23,13,455
Total outstanding dues of creditors other than micro enterprises and small enterprises	36,52,33,592	44,65,20,745
(c) <b>Other Current Liabilities</b>		
- Term Loan - Current maturities of Long term Debt	1,95,00,000	Nil
- interest accrued and due on borrowings	6,91,894	1,61,390
- Unclaimed Dividend (The amount includes unpaid Interim Dividend declared on 23rd March 2020.)	6,90,27,000	53,69,075
- Advance from Customers	98,48,000	83,45,900
- Other Current Liabilities - Statutory Dues	2,75,86,586	3,53,87,684
- Security Deposits	23,95,000	24,95,000
	<u>12,90,48,480</u>	<u>5,17,59,049</u>
(d) <b>Short term Provisions</b>		
<b>Provision for Employee benefits (Refer Note: 34)</b>		
Provision for Gratuity	89,59,367	67,06,170
Provision for Leave Encashment	1,49,29,956	1,21,94,874
<b>Other provisions</b>		
Provision for Taxation	30,73,82,771	14,51,65,172
	<u>33,12,72,094</u>	<u>16,40,66,216</u>

# A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

Amount in ₹

### NOTE - 6:

#### PROPERTY, PLANT & EQUIPMENT :

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 1.4.2019	As at Additions**	Deductions	As at 31.3.2020	Upto 31.3.2019	For the Year	Withdrawn	Upto 31.3.2020
Land *	9,40,93,340 11,05,11,365	Nil	Nil	9,40,93,340 9,40,93,340	Nil	Nil	Nil	Nil
Agricultural Land	1,63,06,667 1,63,06,667	Nil	1,64,18,025	1,63,06,667 1,63,06,667	Nil	Nil	Nil	Nil
Leasehold Land	Nil	1,27,29,505	Nil	1,27,29,505	Nil	3,47,793	Nil	3,47,793
Buildings *	11,17,10,557 9,52,04,032	4,65,12,476 1,66,61,614	Nil	15,82,23,033 11,17,10,557	6,07,57,098 5,62,73,615	78,14,126 45,59,196	Nil	6,85,71,224
Plant & Equipment	19,16,43,892 17,66,04,420	12,46,09,192 1,50,89,470	56,500 50,000	31,61,96,584 19,16,43,890	13,14,79,892 11,93,85,867	2,82,34,505 1,21,41,523	52,454 47,499	15,96,61,943
Furniture & Fixtures	2,23,62,752 2,20,42,233	3,36,680 3,20,519	Nil	2,26,99,432 2,23,62,752	1,79,46,511 1,65,82,168	11,08,176 13,64,343	Nil	1,90,54,687
Vehicles	8,62,78,438 8,73,07,696	2,03,85,750 47,42,989	1,12,64,712 57,72,249	9,53,99,476 8,62,78,436	6,29,11,838 5,82,54,431	1,03,45,066 99,62,095	96,08,067 53,04,689	6,36,48,837
<b>TOTAL</b>	<b>52,23,95,646</b>	<b>20,45,73,603</b>	<b>1,13,21,212</b>	<b>71,56,48,037</b>	<b>27,30,95,339</b>	<b>4,78,49,666</b>	<b>96,60,521</b>	<b>31,12,84,484</b>
<i>Previous Year</i>	50,79,76,413	3,68,14,594	2,23,95,363	52,23,95,644	25,04,96,082	2,80,27,160	54,27,903	27,30,95,339

\* 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 ₹.1,93,768.

\* During the year the amount of borrowing cost capitalised along with Property, Plant & Equipment is ₹.28,17,847.

#### INTANGIBLE ASSETS

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 1.4.2019	As at Additions	Deductions	As at 31.3.2020	Upto 31.3.2019	For the Year	Withdrawn	Upto 31.3.2020
Trade Mark & Licenses	Nil	6,47,119	Nil	6,47,119	Nil	2,13,095	Nil	2,13,095
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Nil	6,47,119	Nil	6,47,119	Nil	2,13,095	Nil	2,13,095
<i>Previous Year</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

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

95



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

### NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

**NOTE - 8:**

**DEFERRED TAX ASSET (NET)**

(Refer Note : 36)

Deferred Tax Assets

Deferred Tax Asset

	31.03.2020 ₹.	31.03.2019 ₹.
	1,75,00,000	2,23,00,000
	<b>1,75,00,000</b>	<b>2,23,00,000</b>

**NOTE - 9:**

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

Description	As at 1-4-2019			Additions			Deductions			As at 31-3-2020		
	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>QUOTED</b>												
IN MUTUAL FUNDS :												
HDFC Overnight Fund	Nil	Nil	4,74,085	140,07,40,706	4,74,085	140,07,40,706			Nil		Nil	
IDFC Arbitrage Fund Monthly - Dividend	Nil	Nil	40,86,170	5,21,67,148	40,86,170	5,21,67,148			Nil		Nil	
HDFC Liquid Fund Growth	Nil	Nil	1,81,594	70,47,40,707	Nil	Nil			1,81,594	70,47,40,707		
ICICI Equity Arbitrage Fund - Reg. Div.	2,10,016	28,71,125	10,843	1,47,351	2,20,859	30,18,476			Nil		Nil	
Less : Diminution in value		(10,562)				(10,562)			Nil		Nil	
	2,10,016	28,60,563	47,52,692	215,77,95,912	47,81,114	145,59,15,768			1,81,594	70,47,40,707		
Aggregate amount of Quoted Investments (Market Value ₹ 70,52,40,525 PY: ₹ 28,60,563 )		28,60,563										70,47,40,707

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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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 10 :</b>		
<b>INVENTORIES: (Valued at lower of cost and net realisable value)</b>		
Raw Materials	67,04,96,441	61,00,04,970
Stores and Spares	6,68,10,678	7,77,24,778
Finished Goods		
- Packed Tea	12,66,67,676	10,39,04,672
- Packed Coffee	52,94,657	42,42,175
- Premix	23,37,151	7,02,393
- Roofing Sheets	70,15,219	27,12,302
- GI Pipe	5,54,19,231	Nil
Stock in Trade	24,45,81,618	19,57,60,564
Goods in Transit	2,09,55,360	8,20,50,787
	<u>119,95,78,031</u>	<u>107,71,02,641</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	3,86,78,277	2,74,44,536
(iii) Doubtful	88,48,230	9,59,316
	<u>4,75,26,507</u>	<u>2,84,03,852</u>
Less : Allowances for Bad and Doubtful Debt	88,48,230	9,59,316
	<u>3,86,78,277</u>	<u>2,74,44,536</u>
<b>(B) Trade receivables ( others)</b>		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	28,19,85,592	32,54,12,379
(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>28,19,85,592</u>	<u>32,54,12,379</u>
<b>Total</b>	<u><b>32,06,63,869</b></u>	<u><b>35,28,56,915</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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 12:</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Cash and Stamps on hand	9,90,568	6,85,584
Balance with banks		
- In Current Account	2,89,16,963	3,85,34,744
- In Deposit Account	5,13,56,082	12,85,235
	<u>8,12,63,613</u>	<u>4,05,05,563</u>
- In Dividend / Refund of Capital Account	6,90,27,000	53,69,075
- In Margin Money Deposit for Issue of Letters of Credit and Guarantee	36,40,417	29,90,400
	<u>7,26,67,417</u>	<u>83,59,475</u>
<b>Total</b>	<u>15,39,31,030</u>	<u>4,88,65,038</u>
Bank deposit with more than 12 months maturity	10,00,000	10,25,000

### NOTE - 13:

#### SHORT TERM LOANS & ADVANCES:

Considered good - Unsecured		
Advances recoverable in cash or in kind or for value to be received	1,15,03,038	1,95,82,600
Input tax credit receivable	10,45,55,627	9,83,89,983
Tax payments pending adjustment	29,14,23,961	13,03,84,634
Capital Advance	1,08,48,000	Nil
Advance to Suppliers	2,01,03,776	2,75,84,075
Deposits	2,00,30,405	1,56,85,384
Balance with Customs, Port Trust etc.,	25,11,424	3,25,175
	<u>46,09,76,231</u>	<u>29,19,51,851</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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 14:</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>SALE OF PRODUCTS</b>		
- Tea, Coffee & Premix	562,04,28,016	537,16,54,982
- Traded Goods	175,09,82,575	229,08,02,873
- Roofing Materials & Pipes	45,95,79,350	49,24,67,216
	<u>783,09,89,941</u>	<u>815,49,25,071</u>
Less : Trade Discount	12,00,66,796	10,48,35,452
	<u>771,09,23,145</u>	<u>805,00,89,619</u>
<b>SALE OF SERVICES - Logistics</b>	38,23,51,986	41,29,04,937
<b>OTHER OPERATING REVENUE</b>		
Export Incentives	68,22,392	1,16,64,085
	<u>810,00,97,523</u>	<u>847,46,58,641</u>
<b>NOTE - 15:</b>		
<b>OTHER INCOME :</b>		
Interest	4,27,949	29,59,398
Income from Investments - Long term	Nil	60,038
Income from Investments - Short term	23,14,496	39,94,592
Rent	1,73,900	1,64,552
Service Income	60,000	60,000
Profit on Sale of Current Investments	95,09,03,540	2,55,10,909
Profit on Sale of Tangible Assets	19,77,122	4,40,525
Insurance Claims	62,23,345	42,21,212
Exchange Fluctuation Gain	14,18,620	3,40,890
Provision no longer required written back	10,565	Nil
Miscellaneous Income	54,71,098	69,36,883
	<u>96,89,80,635</u>	<u>4,46,88,999</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, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 16:</b>		
<b>COST OF MATERIALS CONSUMED: (Refer Note 23)</b>		
Garden Tea	352,68,35,133	361,84,35,811
Coffee	6,72,11,270	6,23,49,610
Chicory	1,78,47,730	1,83,20,602
Roofing Materials	44,93,45,996	50,11,84,601
Premix	2,57,30,239	2,07,93,179
Packing & Other Materials	25,73,00,007	24,15,41,006
	<u>434,42,70,375</u>	<u>446,26,24,809</u>
<b>NOTE - 17:</b>		
<b>CHANGES IN INVENTORIES</b>		
<b>INCREASE(-) / DECREASE (+) IN STOCK</b>		
<b>Opening 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
	<u>30,66,19,713</u>	<u>30,04,52,435</u>
<b>Closing Stock</b>		
Packed Tea	12,66,67,676	10,39,04,672
Packed Coffee	52,94,657	42,42,175
Traded Goods	24,50,64,618	19,84,72,866
GI Pipe	5,54,19,231	Nil
Manufactured Goods	70,15,219	Nil
	<u>43,94,61,401</u>	<u>30,66,19,713</u>
	<u>(13,28,41,688)</u>	<u>(61,67,278)</u>
<b>NOTE- 18:</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	32,20,12,000	29,13,24,133
Contribution to Provident and Other Funds	3,48,88,541	3,29,52,876
Provision for Gratuity (Refer Note 34)	22,53,197	2,01,212
Provision for Leave Encashment (Refer Note 34)	30,34,794	46,17,527
Welfare	1,60,41,463	1,48,81,415
	<u>37,82,29,995</u>	<u>34,39,77,163</u>
<b>NOTE- 19:</b>		
<b>FINANCE COST</b>		
Interest Expenses	2,07,64,717	1,49,77,117
	<u>2,07,64,717</u>	<u>1,49,77,117</u>

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

### NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<b>NOTE - 20: SALES EXPENSES:</b>		
Freight & Transport	19,87,55,566	16,76,28,695
Shipment Expenses	33,91,77,312	35,23,21,563
Insurance	10,50,009	21,00,000
Commission	42,60,844	99,79,781
Advertisement	13,62,77,656	7,33,40,119
Consumer Offer	12,76,78,895	10,27,22,856
Discounts to Consumers	10,58,19,968	8,74,36,350
Dealer incentives	10,96,69,617	6,93,61,421
C&F Expenses	14,08,140	8,29,200
Business Promotion	2,07,62,555	1,82,66,939
	104,48,60,562	88,39,86,924
<b>NOTE - 21: MANUFACTURING EXPENSES</b>		
Packing charges	13,34,03,639	10,60,01,431
Power and Fuel	1,32,82,255	55,43,757
Rent	3,06,63,069	2,50,10,639
Repairs and Maintenance		
- Buildings	71,71,173	83,93,428
- Machinery	80,62,345	84,44,592
C&F Charges	8,93,898	Nil
Business Promotion	37,40,410	Nil
	19,72,16,789	15,33,93,847
<b>NOTE - 22: OTHER EXPENSES</b>		
Power and Fuel	31,07,158	33,89,519
Rent	1,45,09,020	1,61,56,880
Rates and Taxes	68,38,883	39,09,285
Insurance	73,26,940	38,32,121
Travelling Expenses	5,37,85,101	5,12,50,026
Repairs and Maintenance		
- Buildings	83,02,230	62,23,272
- Machinery	84,86,361	77,25,871
- Vehicles	2,17,28,882	1,70,23,247
- Others	8,89,565	8,79,490
Directors' Sitting Fees	9,60,000	9,00,000
Payment to Statutory Auditors		
- As Auditors	24,00,000	20,00,000
- For Tax Audit /Certification	14,14,000	11,90,500
- For Reimbursement of expenses	1,98,000	1,15,000
CSR Expenditure (Refer Note: 33)	77,15,200	77,50,000
Provision for Bad and Doubtful Debts	78,88,914	Nil
Diminution in value of investments	2,40,00,000	10,562
Loss on Sale of Plant Property & Equipment	Nil	26,02,592
Professional and Legal Fees	4,20,89,827	1,97,17,491
Miscellaneous Expenses	5,67,58,171	5,02,31,293
	26,83,98,252	19,49,07,149

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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, 2020

		31.03.2020	31.03.2019	
NOTE - 23:				
PARTICULARS OF MATERIALS CONSUMPTION				
Materials Consumed	Qty (MT)	Value	Qty (MT)	Value
Garden Tea	%	₹	%	₹
Indigenous	99.89	352,28,24,194	99.70	360,77,54,703
Imported	0.11	40,10,939	0.30	1,06,81,108
		<u>352,68,35,133</u>		<u>361,84,35,811</u>
Roofing Materials				
Indigenous	100	<u>44,93,45,996</u>	100	<u>50,11,84,601</u>
Raw Coffee and Chicory				
Indigenous	100	<u>8,50,59,000</u>	100	<u>8,06,70,212</u>
Premix				
Indigenous	100	<u>2,57,30,239</u>	100	<u>2,07,93,179</u>
Packing and Other Materials				
Indigenous	100	25,73,00,007	100	24,15,41,006
Imported		-		-
		<u>25,73,00,007</u>		<u>24,51,41,006</u>

	Amount in ₹	
	31.03.2020	31.03.2019
<b>24 Earnings in Foreign Exchange</b>		
F.O.B. Value of Exports	9,92,41,834	19,00,04,898
<b>25 Expenditure in Foreign Currency</b>		
Travelling	33,91,672	51,29,782
Commission	Nil	53,83,558
Advertisement & Sales Promotion	22,60,834	7,87,839
Subscription	19,98,675	Nil
<b>26 CIF Value of Imports</b>		
Garden Tea	40,10,939	1,06,81,108
Capital Goods	2,54,34,500	35,91,239
Stock in Trade	67,30,250	Nil
Packing Materials	Nil	Nil
Stores and Spares	Nil	8,94,807

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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, 2020

		Amount in ₹	
		31.03.2020	31.03.2019
<b>27 Sundry Debtors include</b>			
Debts due by Private Limited Companies in which Director/s are interested as Director/s.			
AVT McCormick Ingredients Private Limited	65,03,436		75,86,551
A V Thomas Leather & Allied Products Private Limited	30,75,760		58,51,220
AVT Gavia Foods Private Limited	72,900		Nil
Alina Private Limited	60,26,498		38,75,994
<b>28 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 2020 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	19,71,102		23,13,455
(ii) Principal due to Medium Enterprise	21,77,165		26,25,540
(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 Earnings Per Share</b>			
Profit after Taxation	91,64,15,458		23,51,58,284
Number of equity shares outstanding at the end of the year	4,70,200		4,70,200
Earnings per share (Basic and Diluted)	1948.99		500.12



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

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

	Amount in ₹	
	31.03.2020	31.03.2019
<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	1,40,86,617	1,54,45,132

#### 31 DIVIDEND

The Board of Directors in its meeting on 12th August 2020, have proposed a final dividend of Rs.100 Per Equity Share for financial year ended 31st March 2020. The proposal is subject to the approval of Shareholders at the Annual General Meeting to be held on 21st September 2020 and if approved, would result in a cash out flow of approximately Rs.4.70 Crores.

#### 32 IMPACT OF COVID-19

The outbreak of CORONA Virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In the preparation of financial statements, the company has considered probable effects from the pandemic relating to COVID-19 on the carrying amount of the Inventories, Receivables, other assets and the possible impacts of non fulfillment of liabilities. The company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there were few business segments which are affected. However there is no material impact on the financial results of the company.

The extent of the impact of COVID-19 on the future operational and finance performance will depend on certain developments including the duration and spread of the out break, the future impact on employees, vendors all of which are uncertain and cannot be predicted. As the impact of COVID-19, if any on the future operational and financial performance of the company would be different from management estimates in this regard, the company will continue to closely monitor any changes as they emerge.

#### 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 ₹ 76,00,000 (PY ₹ 77,50,000)

(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	20,00,000	Nil	20,00,000
(b) Rehabilitation Programs	4,00,000	Nil	4,00,000
(c) Health Care	6,15,200	Nil	6,15,200
(d) Measures for reducing inequalities faced by socially and economically backward group	10,00,000	Nil	10,00,000
(e) Eradicating hunger, poverty and malnutrition, and sanitation	12,00,000	Nil	12,00,000
(f) Education & employment	25,00,000	Nil	25,00,000
<b>Total</b>	<b>77,15,200</b>		<b>77,15,200</b>

During the year, the Company has incurred an additional sum of Rs.1.07 Lakhs being the unspent amount for last years.

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

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

#### 34 Employee Benefits:

##### I) 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:

	<b>31.3.2020</b>		<b>31.3.2019</b>	
	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	6,39,21,704	3,23,13,078	5,70,98,183	2,76,95,551
Current Service Cost	55,77,632	95,74,237	49,49,921	53,52,253
Interest Cost	45,51,372	21,47,563	41,07,023	18,40,747
Benefits Paid	( 34,88,985)	( 59,49,560)	( 16,75,175)	( 49,59,666)
Actuarial loss / (gain)	( 18,021)	( 35,75,622)	( 5,58,248)	23,84,193
Present Value of the Obligation as at end of the period	7,05,43,702	3,45,09,696	6,39,21,704	3,23,13,078
c) Reconciliation of changes in the fair value of Plan Assets:				
Fair Value of Plan Assets at beginning of period	5,72,15,534	Nil	5,05,46,180	Nil
Expected return on plan assets	42,06,900	Nil	39,74,800	Nil
Contribution by the Company	40,00,000	59,49,560	45,00,000	49,59,666
Benefits Paid	( 34,88,985)	( 59,49,560)	( 16,75,175)	( 49,59,666)
Actuarial gain / (loss)	( 3,49,114)	Nil	( 1,30,271)	Nil
Fair Value of Plan Assets at end of period	6,15,84,335	Nil	5,72,15,534	Nil
d) The total expense recognised in the statement of profit and loss is as follows:				
Current Service Cost	55,77,632	95,74,237	49,49,921	53,52,253
Interest Cost	45,51,372	21,47,563	41,07,023	18,40,747
Expected return on plan assets	( 42,06,900)	N.A	( 39,74,800)	N.A
Net Actuarial (gain) / loss recognised in the year	3,31,093	( 35,75,622)	( 4,27,977)	23,84,193
	62,53,197	81,46,178	46,54,167	95,77,193
e) Reconciliation of Net Liability recognised in the Balance Sheet				
Net Liability as at the beginning of the year	67,06,170	3,23,13,078	65,52,003	2,76,95,551
Add : Expense as (d) above	62,53,197	81,46,178	46,54,167	95,77,193
Less: Employers Contribution / Payment	( 40,00,000)	( 59,49,560)	( 45,00,000)	( 49,59,666)
Net Liability as at the end of the year	89,59,367	3,45,09,696	67,06,170	3,23,13,078

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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, 2020

34 Employee Benefits: (Contd.)	31.3.2020		31.3.2019	
	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	6,15,84,335	Not Applicable	5,72,15,534	Not Applicable
g) Principal actuarial assumptions used as at the Balance Sheet date:				
Discount Rate	6.80%	6.80%	7.32%	7.32%
Salary Escalation Rate	5.00%	5.00%	6.50%	6.50%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	6.80%	NA	7.32%	NA

The estimates of future salary increases, considered in actuarial valuation, take on 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:	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
	₹	₹	₹	₹	₹
Gratuity - Funded Plan					
Defined benefit obligation	7,05,43,702	6,39,21,704	5,70,98,183	5,28,82,278	4,55,01,510
Plan Assets	6,15,84,335	5,72,15,534	5,05,46,180	4,65,24,285	4,06,13,531
Surplus/(Deficit)	( 89,59,367)	( 67,06,170)	( 65,52,003)	( 63,57,993)	( 48,87,979)
Experience adjustment - Plan Liabilities	( 18,021)	( 5,58,248)	( 2,89,985)	16,35,600	14,28,043
Experience adjustment - Plan Assets	( 3,49,114)	( 1,30,271)	( 4,29,858)	( 1,98,978)	( 2,22,430)

The Company expects to fund ₹ 50 Lakhs towards its gratuity plan during the year 2020/21.

- 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 ₹ 2,91,18,496 as expense towards contributions to these plans.

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

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

#### 35 Segment Information:

The Company has identified business segments as its primary segment. The Company has identified three reportable segments viz. Consumer Products, Roofing Materials and Logistics 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	Consumer Products	Roofing Materials	Logistics	Unallocable	Total
<b>Segment Revenue</b>					
External Revenue	566,06,03,084	205,71,42,453	38,23,51,986		810,00,97,523
	527,33,93,427	278,83,60,276	41,29,04,938		847,46,58,641
Inter-Segment Revenue					
<b>Total Revenue</b>	<b>566,06,03,084</b>	<b>205,71,42,453</b>	<b>38,23,51,986</b>		<b>810,00,97,523</b>
<b>Segment Result</b>	<b>315754104</b>	<b>2,13,96,666</b>	<b>26,93,060</b>		<b>33,98,43,830</b>
	333731817	3,03,42,142	1,45,04,492		37,85,78,451
Less: Unallocated Corporate Income over Expense				89,54,77,952	89,54,77,952
				(16,28,461)	(16,28,461)
<b>Segment Result before Exceptional and non recurring items, interest and taxes</b>	<b>31,57,54,104</b>	<b>2,13,96,666</b>	<b>26,93,060</b>	<b>89,54,77,952</b>	<b>123,53,21,782</b>
	33,37,31,817	3,03,42,142	1,45,05,492	(16,28,461)	37,69,50,990
Less: Finance Costs				(2,07,64,717)	(2,07,64,717)
				(1,49,77,118)	(1,49,77,118)
<b>Segment Result before Exceptional and non recurring items, taxes</b>	<b>31,57,54,104</b>	<b>2,13,96,666</b>	<b>26,93,060</b>	<b>87,47,13,235</b>	<b>121,45,57,065</b>
	33,37,31,817	3,03,42,142	1,45,05,492	(1,66,05,579)	36,19,73,872
Less: Provision for Taxation				29,00,00,000	29,00,00,000
				(12,65,00,000)	(12,65,00,000)
Add: Deferred Tax Asset				48,00,000	48,00,000
				(26,00,000)	(26,00,000)
<b>Segment Result after Tax</b>	<b>31,57,54,104</b>	<b>2,13,96,666</b>	<b>26,93,060</b>	<b>57,99,13,232</b>	<b>91,97,57,062</b>
	33,37,31,817	3,03,42,142	1,45,05,492	(14,05,05,579)	23,80,73,872

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

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

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

Amount in ₹

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

Particulars	Consumer Products	Roofing Materials	Logistics	Unallocable	Total
<b>Other Information</b>					
Capital Employed	<b>89,73,05,187</b>	<b>45,14,02,348</b>	<b>6,23,45,970</b>	<b>(141,10,53,505)</b>	-
<i>(Segment Assets - Segment Liabilities)</i>	<i>69,80,74,290</i>	<i>49,17,96,879</i>	<i>7,61,49,205</i>	<i>(126,60,20,374)</i>	-
Capital Expenditure	<b>4,02,87,016</b>	<b>15,21,20,284</b>	-	<b>1,28,13,422</b>	<b>20,52,20,722</b>
	<i>2,66,74,694</i>	<i>1,01,39,902</i>	-	-	<i>3,68,14,596</i>
Depreciation	<b>1,81,63,370</b>	<b>2,29,41,039</b>	<b>9,29,234</b>	<b>60,29,119</b>	<b>4,80,62,762</b>
	<i>1,40,21,655</i>	<i>63,16,211</i>	<i>16,94,531</i>	<i>59,94,762</i>	<i>2,80,27,159</i>

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

The Consumer Products segment includes sale of tea, coffee in packet, bulk and dairy products

The Roofing Materials segment includes Manufacturing and trading of Roofing Materials and Aluminium, GI & 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 ₹	Amount in ₹
	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>36 Deferred Tax Asset</b>		
Tax Impact of difference between carrying amount of Fixed Assets in the Financial Statements and the income tax returns	59,00,000	77,00,000
Tax impact of expenses charged in the financial statements but allowable as deduction in future years under Income Tax	1,16,00,000	1,46,00,000
Deferred Tax Asset	<b>1,75,00,000</b>	<b>2,23,00,000</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, 2020

#### 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 Natural Europe Ltd ( formerly 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
- AVT Natural North America Inc.

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

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

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

Amount in ₹

Details of Transactions:	31.03.2020		31.03.2019	
	Associate Companies/Trust	Key Management Personnel (Including Relatives)	Associate Companies/Trust	Key Management Personnel (Including Relatives)
<b>INCOME:</b>				
Sales	99,57,552	Nil	1,26,02,431	Nil
C&F and Warehousing Charges	9,94,01,391	Nil	5,92,42,486	Nil
Rent	1,41,400	Nil	1,40,552	Nil
Service Charges	60,000	Nil	60,000	Nil
Dividend Received	Nil	Nil	60,038	Nil
<b>EXPENDITURE:</b>				
Purchases	89,18,33,674	Nil	83,71,12,571	Nil
Rent	14,00,007	Nil	16,52,000	Nil
Comission Paid / C&F	1,24,90,434	Nil	1,06,34,556	Nil
Remuneration	Nil	2,14,84,600	Nil	2,07,96,400
Purchase of Fixed Assets	Nil	Nil	Nil	Nil
Professional Fee	Nil	Nil	Nil	Nil
Donation Paid	1,00,00,000	Nil	1,25,00,000	Nil
Dividend Paid	1,88,22,375	36,14,63,700	30,60,075	5,49,87,900
<b>OTHERS</b>				
Investments in Shares	Nil	Nil	15,55,94,400	Nil
Balance as on 31st March 2020				
Debit Balance	2,26,84,145	Nil	2,51,63,545	Nil
Credit Balance	5,57,88,992	Nil	5,86,96,863	Nil

**38** 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 : 12.08.2020

R.VENUGOPALAN  
Chief Financial Officer