

A.V. THOMAS AND COMPANY LTD.

83_{rd}

**ANNUAL REPORT & ACCOUNTS
2017 - 2018**

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

DIRECTOR EMERITUS

Mrs. Lily Thomas

AUDIT COMMITTEE

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

AUDITORS

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

BANKERS

Bank of Baroda
Corporation Bank
The Federal Bank Limited

REGISTRAR & SHARE TRANSFER AGENT

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

REGISTERED OFFICE

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

CORPORATE OFFICE

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

Contents	Page No.
Notice to Shareholders	3
Directors' Report	10
Auditors' Report	36
Balance Sheet	42
Statement of Profit and Loss	43
Cash Flow Statement	44
Notes on Accounts	46
Financial Highlights	68
Consolidated Financial Statements	69

A.V. THOMAS AND COMPANY LIMITED

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

CIN: U51109KL1935PLC000024

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the EIGHTY THIRD ANNUAL GENERAL MEETING of the Company will be held at the Registered Office, at W-21/674, Beach Road, Alappuzha-688 012, at 11.a.m. on Thursday, the 30th August, 2018 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, 2018, the reports of the Board of Directors and Auditors thereon.
2. (a) To confirm the payment of Interim Dividend at Rs.75/- per Equity Share (750%) already paid for the year ended 31st March, 2018; and
(b) To declare a Final Dividend of Rs.75/- per Equity Share (750%);
3. To appoint a Director in place of Mr.Ajit Thomas (DIN: 00018691), who retires by rotation and, being eligible has offered himself for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 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, 2019 be paid a remuneration of Rs.1,00,000 (Rupees One Lakh Only) per annum & taxes applicable thereon and reimbursement of out of pocket expenses incurred.

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

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

Chennai
12th July, 2018

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES:

1. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
2. **A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
3. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24th August, 2018 to 30th August, 2018 (both days inclusive).
5. If the final dividend as recommended by the Board of Directors are approved at the Annual General Meeting, payment of such dividends will be made after 30th August, 2018 as under:
 - a) To all members in respect of shares held in physical form as on the date of Annual General Meeting, after giving effect to valid transfers in respect of transfer requests lodged with the Company or to the Company's Registrar & Share Transfer Agent, M/s. Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai- 600 002 on or before the close of business hours on 23rd August, 2018.
 - b) To all beneficial owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited.
6. Members are requested to notify, any change in their address, email id and Bank Account details to the Company or to the Company's Registrar & Share Transfer Agent immediately.
7. Members are requested to furnish the Bank Account details in order to enable the Company to mention the same on the payment instrument, for distribution of dividends to the Investors.
8. Shareholders of the Company may avail the nomination facility by executing the prescribed nomination form, which can be obtained from the Registered Office of the Company or from the Company's Share Transfer Agent.
9. Pursuant to provisions of Section 124 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends from time to time on due dates, up to the financial year 2009-10 and Interim Dividend for the year 2010-11 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

Final Dividend declared for the year 2010-2011 and remaining unpaid or unclaimed is liable to be transferred to the Fund during the month of October 2018 and Interim Dividend paid for the year 2011-2012 remaining unpaid or unclaimed is liable to be transferred to the Fund during the month of March 2019. The shareholders are, therefore, advised to claim immediately from the Company the dividends, if any, for the said year remaining unpaid before they are transferred to the Fund.

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

10. Members are requested to submit attested copy of PAN CARD of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) in case of transfers, deletion of name of deceased shareholder(s), transmission and transposition of shares, in respect of shares held in physical form, along with necessary documents at the time of lodgement of request for transfer/transmission/transposition.
11. Documents referred to in the Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) during business hours, except holidays, upto the date of the meeting.

12. Voting facilities

- i. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 83rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
- ii. The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- iii. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Instructions for members for voting are as under:-

- (i) The voting period begins on 27th August, 2018, Monday (9.00 A.M.) and ends on 29th August, 2018, Wednesday (5.00 P.M.). During this period shareholders of the Company, holding shares in physical form, as on the cut-off date (record date) i.e. 23rd August, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should logon to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a) For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - b) 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 and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given in points (vii) and (viii).

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

(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"> ■ Members who have not updated their PAN with the Company /Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. Sequence number has been provided as Sl. No. in the address label. ■ 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.
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in the company records in order to login.</p> <p>If both the details are not recorded with the company please enter the Folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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

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

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

General instructions

- i) Mr. V. Suresh, Practising Company Secretary (C.P. No. 6032) has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- ii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 3 days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The resolutions will be deemed have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
- iii) The Results declared along with the report of the Scrutinizer shall be placed on the Company's website www.avthomas.com and on the website of CDSL immediately after the result is declared by the Chairman or a person authorised by him in writing who shall countersign the same.
- iv) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 23rd August, 2018. A person who is not a Member as on the cut off-date should treat this Notice for information purposes only.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Statement pursuant to Section 102 (1) of the Companies Act, 2013

SPECIAL BUSINESS:

Item No.4

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 July, 2018, 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, 2019 on a remuneration of Rs.1,00,000 (Rupees One Lakh Only) per annum & taxes applicable thereon and reimbursement of out of pocket expenses incurred.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.4 for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2019.

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.4 of the Notice for approval of the shareholders.

Chennai
12th July, 2018

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Particulars of the Directors seeking re-appointment at this Annual General Meeting

Particulars	Mr. Ajit Thomas
Date of Birth	7th June 1954
Qualifications	B.SC. (Statistics)
Expertise in specific functional areas	Vast experience in Plantations, Business and Management
Date of appointment	29th October, 2009
Number of Board Meeting attended during the year 2017-18	6 (Six)
Relationship with other directors	Brother of Mr. Dilip Thomas, Executive Vice - Chairman
Directorship held in other Companies (excluding foreign companies)	<p>Chairman</p> <ul style="list-style-type: none"> - Neelamalai Agro Industries Limited - AVT Natural Products Limited - The Nelliampathy Tea and Produce Company Limited - The Midland Rubber and Produce Co Ltd. - Midland Latex Products Limited - Aspera Logistics Private Limited - AVT Mccormick Ingredients Private Limited - Midland Corporate Advisory Services Private Limited - AVT Holdings Private Limited <p>Director</p> <ul style="list-style-type: none"> - AVT Gavia Foods Private Limited - A.V. Thomas Leather & Allied Products Private Limited - A V Thomas Investments Co. Ltd. - Madura Micro Finance Limited - Saksoft Limited - AVT Tea Services Ltd.
Membership of Committees of other Companies	<p>Chairman - Audit Committee</p> <ul style="list-style-type: none"> - Saksoft Limited <p>Member – Audit Committee</p> <ul style="list-style-type: none"> - Neelamalai Agro Industries Limited <p>Member – Nomination & Remuneration Committee</p> <ul style="list-style-type: none"> - Saksoft Limited - Neelamalai Agro Industries Ltd. <p>Chairman - Stakeholders Relationship Committee</p> <ul style="list-style-type: none"> - AVT Natural Products Limited - Neelamalai Agro Industries Ltd. - The Midland Rubber and Produce Company Limited - The Nelliampathy Tea & Produce Company Limited <p>Member - Stakeholders Relationship Committee</p> <ul style="list-style-type: none"> - Saksoft Limited <p>Chairman – CSR Committee</p> <ul style="list-style-type: none"> - The Midland Rubber and Produce Company Limited <p>Member – CSR Committee</p> <ul style="list-style-type: none"> - AVT Natural Products Limited - Madura Micro Finance Limited
Number of Shares held in the Company	2,08,566

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting the EIGHTY THIRD ANNUAL REPORT with the audited accounts of the Company for the year ended 31st March, 2018.

	2017 - 18	(Rs.in lakhs) 2016 - 17
FINANCIAL RESULTS:		
Income from Operations and Other Income	77894.22	66270.87
Profit Before Depreciation and Interest	<u>4083.11</u>	<u>4434.83</u>
Less: Depreciation	293.71	305.38
Interest	83.56	55.11
	<u>377.27</u>	<u>360.49</u>
Profit Before Tax	3705.84	4074.34
Less: Provision for Tax (Net of Deferred tax)	1361.00	1401.00
Profit After Tax	<u>2344.84</u>	<u>2673.34</u>
Add: Surplus brought forward	3995.42	2246.52
	<u>6340.26</u>	<u>4919.86</u>
which your Directors recommend to appropriate:-		
Transfer to General Reserve	1000.00	500.00
Interim Dividend on Equity Shares @ Rs.75/- per share already paid	352.65	352.65
Tax on Interim Dividends	71.79	71.79
Final Dividend on Equity Shares paid for the earlier year (Rs.75/- per Equity Share)	352.65	-
Tax on Final Dividend for the earlier year	71.79	-
Balance carried forward	<u>4491.38</u>	<u>3995.42</u>
	<u>6340.26</u>	<u>4919.86</u>
Proposed Final Dividend for the current year (@ Rs.75/- per share)	*	
Tax on proposed final dividend for the current year	*	

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

DIVIDEND

An Interim Dividend of Rs.75/- per equity share (750%) was paid during the financial year ended 31st March, 2018. The Board of Directors had recommended a final dividend of Rs.75/- per equity share (750%) for approval of the shareholders at the Annual General Meeting. The aggregate of the dividends, amounts to Rs.150/- per equity share (1500%) for the year ended 31st March, 2018.

TRANSFER TO GENERAL RESERVE

The Company has transferred a sum of Rs.10 crore to the General Reserve for the Financial Year 2017-18

DEPOSIT FROM PUBLIC

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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

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

OPERATIONS

CONSUMER PRODUCTS DIVISION:

Consumer Product Division recorded a volume growth of 12% during the year 2017-18 despite difficult market conditions. In the Packet Tea Segment, AVT continues to be a market leader in Kerala and has impressive market share in Tamil Nadu. In Andhra Pradesh, Karnataka, and Orissa, with the introduction of new distribution system, the Company has sustained the market share. The Company has also exported tea to Middle East countries and the response has been positive. The Division expects to maintain this positive performance in the coming year also.

TRADING DIVISION:

The Sales turnover of Trading Division were higher by 27% which is mainly on account of increase in sale of GI & GC Sheets. The Company is setting up a Factory for Profiling of Pipes at Perundurai, Tamilnadu.

LOGISTICS:

The volume handled has been fairly steady

DAIRY DIVISION:

The Dairy Division completed its first full year of operation and the performance is satisfactory.

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) along with its own financial statements. Further, the particulars showing the salient features of the Subsidiary/Associate Companies as required under first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 are provided in Form AOC-1 which is attached as **Annexure I** to this report.

PARTICULARS OF EMPLOYEES

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

BOARD MEETINGS

During the financial year 2017-18 the Board of Directors met six times. The dates on which the meetings were held are 30.05.2017, 06.07.2017, 02.08.2017, 08.11.2017, 06.02.2018 and 28.03.2018.

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.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOMINATION AND REMUNERATION COMMITTEE / POLICY (NRC)

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

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

SHARE TRANSFER COMMITTEE

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

INDEPENDENT DIRECTORS' DECLARATION

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

AUDITORS

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

AUDITORS REPORT

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

COST AUDITORS

As required under the Companies (Cost Records and Audit) Rules 2014, the Company filed the Cost Audit Report for the financial year 2016-17 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 2018-19. 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 2018-19.

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, 2018. 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.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

INTERNAL AUDIT & CONTROLS

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

TRANSACTIONS WITH RELATED PARTIES

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

EXTRACT OF ANNUAL RETURN

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

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNINGS/OUTGO

The Company's earnings in foreign exchange on FOB value of Exports during the year amounted to Rs.6771.11 lakhs compared to Rs.4568.46 lakhs during the previous year. The foreign exchange outgo during the year was Rs.462.84 lakhs against Rs.327.91 lakhs in previous year.

RISK MANAGEMENT POLICY

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE / POLICY (CSRC)

The CSR Committee consists of three members namely, Mr. Ajit Thomas, Mr. Dilip Thomas and Mr. P. Shankar. The CSR Policy of the Company and the details about the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been disclosed in **Annexure - VI** to this Report.

EXIT OFFER TO THE PUBLIC SHAREHOLDERS

Pursuant to the Exit Offer provided by the Promoters to the public shareholders of the company pursuant to SEBI circular No. SEBI/HO/MRD/DSA/ CIR/P/2016/110 dated October 10, 2016, the name of the Company was removed from the Dissemination Board of The National Stock Exchange of India Ltd. with effect from 25th October, 2017. The Promoters have extended the Exit Offer period upto 14th October, 2018.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual financial statements on a going concern basis;
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 124 of the Companies Act, 2013 and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (' the Rules') as amended from time to time, all unpaid or unclaimed dividends , after the completion of seven years, are required to be transferred by the Company to the IEPF established by the Central Government. Further according to the Rules, the shares in respect of which dividend has not been paid or unclaimed by the shareholders for seven consecutive years or more shall also to be transferred to the demat account created by the IEPF Authority. Accordingly, the Company had transferred to the IEPF Authority the unclaimed and unpaid dividends and 4,515 Equity shares during the Financial Year 2017-18.

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

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 July, 2018

By Order of the Board
AJIT THOMAS
Executive Chairman

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

ANNEXURE - I

Form AOC-1

Part "B": Associates and Joint Ventures

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

Sl. No.	Name of Associates	AVT Gavia Foods Private Limited	A.V. Thomas Investments Company Limited
1	Latest audited Balance Sheet Date	31.03.2018	31.03.2018
2	Shares of Associate/Joint Ventures held by the company on the year end Number Amount of Investment in Associates/ Joint Venture (Rs.) Extent of Holding%	1,10,00,000 11,00,48,413 50.00%	1,19,480 11,94,800 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.)	2,04,00,168	81,44,312
6	Profit/Loss for the year (Rs.) i) Considered in Consolidation ii) Not Considered in Consolidation	(1,42,47,564)	2,77,224
7	Total Net Worth (Rs.)	4,08,00,336	1,66,99,430

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

ANNEXURE - II

**Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year 2017-18**

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

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

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. A V THOMAS AND CO LTD ("the Company") for the financial year ended on 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (NOT APPLICABLE)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (NOT APPLICABLE)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (NOT APPLICABLE)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (NOT APPLICABLE)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (NOT APPLICABLE)

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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

Other Laws specifically applicable to this Company is as follows:

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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company (Not Applicable)- Pursuant to the circular issued by the Securities and Exchange Board of India ("SEBI") bearing No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 ("SEBI Circular"), the Promoters of the Company have made an Open Offer to acquire shares of the Public Shareholders of the Company to provide them an exit opportunity. The period of said offer stands extended upto 14th October, 2018.

I further report that the Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

Place: Chennai
Date : 04.07.2018

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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 2017-18.

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 July, 2018

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	On going transactions	9000.00	Market Rate	Not Applicable	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	2049452.00 24000.00 60000.00	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil Nil Nil Nil
A.V.Thomas Investments Co.Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	24000.00	Market Rate	Not Applicable	Nil
The Midland Rubber & Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Purchase of Tea Purchase of Cardamom	On going transactions On going transactions	154002920.00 2160000.00	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
The Neillampathy Tea & Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing Sale of Aluminium sheets	On going transactions On going transactions	523494.00 246263.00	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
Neelamalai Agro Industries Ltd.	Common Control through constitution of Board/Share holding	Purchase of Tea Income from C&F & Warehousing Sale of Aluminium sheets	On going transactions On going transactions On going transactions	131434350.00 287892.00 373583.00	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 Tea Purchase of Fixed Asset	On going transactions On going transactions Specific	311765.00 7242794.00 1590750.00	Market Rate Market Rate Market Rate	Not Applicable Not Applicable 30.05.2017	Nil Nil Nil
AVT McCormick Ingredients Private 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	11568965.00 3228411.00 1822791.00	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil Nil Nil
The Highland Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing Purchase of Tea Sale of Aluminium sheets Purchase of Cardamom Income from C&F & Warehousing Rent Received Rent Paid	On going transactions On going transactions On going transactions On going transactions On going transactions On going transactions On going transactions	8819156.00 438117080.00 85081.00 1005000.00 882266.00 12000.00 1641504.00	Market Rate Market Rate Market Rate Market Rate Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable	Nil Nil Nil Nil Nil Nil Nil

Annexure IIIA

AOC 2

Name of the Related Party	Nature of Relationship	Nature of Transaction	Duration of Transactions	Amount (Rs.)	Salient Terms	Date of Approval by the Board	Amount paid as Advance if any
The Rajagiri Rubber & Produce Co. Ltd.	Common Control through constitution of Board/Share holding	Purchase of Tea Income from C&F & Warehousing Rent Received	On going transactions On going transactions On going transactions	105206.00 333182.00 12000.00	Market Rate Market Rate Market Rate	Not Applicable Not Applicable Not Applicable	Nil Nil Nil
Dalp Trading and Manufacturing Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	6000.00	Market Rate	Not Applicable	Nil
A.V.Thomas Leather & Allied Products Private Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing	On going transactions	15285673.00	Market Rate	Not Applicable	Nil
Midland Corporate Advisory Services Ltd.	Common Control through constitution of Board/Share holding	Rent Received Professional Fees paid	On going transactions On going transactions	12000.00 300000.00	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
AVT Holdings Private Ltd	Common Control through constitution of Board/Share holding	Rent Received Professional Fees paid	On going transactions On going transactions	12000.00 100000.00	Market Rate Market Rate	Not Applicable Not Applicable	Nil Nil
Aspera Logistics Private Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	12000.00	Market Rate	Not Applicable	Nil
Provision Value Gard Private Ltd.	Common Control through constitution of Board/Share holding	Rent Received	On going transactions	12000.00	Market Rate	Not Applicable	Nil
AVT Gavia Foods Private Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing	On going transactions	101975.00	Market Rate	Not Applicable	Nil
Alina Private Ltd.	Common Control through constitution of Board/Share holding	Income from C&F & Warehousing	On going transactions	966148.00	Market Rate	Not Applicable	Nil
Mr. Ashwin Thomas	Son of Mr. Ajit Thomas, Executive Chairman	Remuneration	On going transactions	3735600.00	As approved by the shareholders at the 82nd AGM	02.08.2017	Nil

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

ANNEXURE - IV

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN	-	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	60%
2	Aluminium Sheets	24202	10%
3	GI Sheets	24109	16%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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

(i) Category - wise Share Holding

Category of shareholders	No. of Shares Held at the Beginning of the Year - 01.04.2017				No. of Shares Held at the end of the Year - 31.03.2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	346840	0	346840	73.764	362840	0	362840	73.167	3.403
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.	300	5500	5800	1.234	858	5500	6358	1.352	0.119
e) Banks/Fl	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1)	347140	5500	352640	74.998	363698	5500	369198	78.519	3.521
(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
e) Banks/Fl	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of promoter(A) = (A)(1) + (A)(2)	347140	5500	352640	74.998	363698	5500	369198	78.519	3.521
B. Public Shareholding									
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
Sub Total (B)(1)	0	3500	3500	0.744	0	3500	3500	0.744	0

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Category of shareholders	No. of Shares Held at the Beginning of the Year - 01.04.2017				No. of Shares Held at the end of the Year - 31.03.2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corp									
i) Indian	8619	6505	15124	3.217	11058	5070	16128	3.430	0.214
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.1 Lakh	28075	70480	98555	20.960	23081	49672	72753	15.473	-5.487
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)	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	161	0	161	0.034	651	0	651	0.138	0.104
Escrow A/c - Exit Offer	0	0	0	0	3235	0	3235	0.688	0.688
IEPF	0	0	0	0	4515	0	4515	0.960	0.960
Non Resident Indians	220	0	220	0.047	220	0	220	0.047	0
Sub- Total (B)(2)	37075	76985	114060	24.258	42760	54742	97502	20.736	-3.521
Total Public Shareholding (B) = (B)(1) + (B)(2)	37075	80485	117560	25.002	42760	58242	101002	21.481	-3.521
TOTAL (A) + (B)	384215	85985	470200	100	406458	63742	470200	100	0
C) Shares held by Custodian for GDRs and ADRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A) + (B) + (C)	384215	85985	470200	100	406458	63742	470200	100	0

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

ii) Shareholding of Promoters

S. No.	Shareholders Name	Shareholding at the beginning of the year - 01.04.2017			Shareholding at the end of the year - 31.03.2018			% 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	200566	42.66	0	208566	44.36	0	1.70
2.	Mr. Dilip Thomas	145274	30.90	0	153274	32.60	0	1.70
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.	Mrs. Priyalatha Thomas	500	0.11	0	500	0.11	0	-
6.	Mr. Ashwin Thomas	500	0.11	0	500	0.11	0	-
7.	M/s. The Midland Rubber and Produce Company Ltd.	100	0.02	0	658	0.14	0	0.12
8.	M/s. Neelamalai Agro Industries Ltd.	100	0.02	0	100	0.02	0	-
9.	M/s. A V Thomas Leather and Allied Products Pvt. Ltd.	100	0.02	0	100	0.02	0	-

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 01.04.2017		Cumulative Shareholding during the year 31.03.2018	
		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-2017	200566	42.66	200566	42.66
	Purchase on 09-Mar-2018	8000	1.70	208566	44.36
	At the end of the Year 31-Mar-2018	208566	44.36	208566	44.36
2.	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2017	145274	30.90	145274	30.90
	Purchase on 09-Mar-2018	8000	1.70	153274	32.60
	At the end of the year 31-Mar-2018	153274	32.60	153274	32.60
3.	M/s. The Highland Produce Co. Ltd.				
	At the beginning of the year 01-Apr-2017	3500	0.74	3500	0.74
	At the end of the year 31-Mar-2018	3500	0.74	3500	0.74

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	M/s. The Rajagiri Rubber & Produce Co. Ltd.				
	At the beginning of the year 01-Apr-2017	2000	0.43	2000	0.43
	At the end of the year 31-Mar-2018	2000	0.43	2000	0.43
5.	Mrs. Priyalatha Thomas				
	At the beginning of the year 01-Apr-2017	500	0.11	500	0.11
	At the end of the year 31-Mar-2018	500	0.11	500	0.11
6.	Mr. Ashwin Thomas				
	At the beginning of the year 01-Apr-2017	500	0.11	500	0.11
	At the end of the year 31-Mar-2018	500	0.11	500	0.11
7.	The Midland Rubber and Produce Company Limited				
	At the beginning of the year 01-Apr-2017	100	0.02	100	0.02
	Purchase on 12-May-2017	7544	1.60	7644	1.63
	Purchase on 23-Jun-2017	2019	0.43	9663	2.06
	Purchase on 17-Jul-2017	50	0.01	9713	2.07
	Purchase on 21-Aug-2017	350	0.07	10063	2.14
	Purchase on 07-Oct-2017	1750	0.37	11813	2.51
	Purchase on 17-Nov-2017	970	0.21	12783	2.72
	Purchase on 30-Dec-2017	2350	0.50	15133	3.22
	Purchase on 10-Jan-2018	1525	0.32	16658	3.54
	Sale on 09-Mar-2018	-16000	-3.40	658	0.14
At the end of the year 31-Mar-2018	658	0.14	658	0.14	
8.	Neelamalai Agro Industries Ltd				
	At the beginning of the year 01-Apr-2017	100	0.02	100	0.02
	At the end of the year 31-Mar-2018	100	0.02	100	0.02
9.	A V Thomas Leather and Allied Products Pvt Ltd.				
	At the beginning of the year 01-Apr-2017	100	0.02	100	0.02
	At the end of the year 31-Mar-2018	100	0.02	100	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 - 01.04.2017		Cumulative Shareholding during the year - 31.03.2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Velli Investments Private Limited				
	At the beginning of the year 01-Apr-2017	8835	1.88	8835	1.88
	At the end of the Year 31-Mar-2018	8835	1.88	8835	1.88
2	Sheila Sebastian				
	JT1: Thomas Victor				
	At the beginning of the year 01-Apr-2017	5938	1.26	5938	1.26
	At the end of the Year 31-Mar-2018	5938	1.26	5938	1.26
3	Pamela Mohan				
	At the beginning of the year 01-Apr-2017	5937	1.26	5937	1.26
	At the end of the Year 31-Mar-2018	5937	1.26	5937	1.26
4	Pauly Investments (P) Ltd				
	At the beginning of the year 01-Apr-2017	4500	0.96	4500	0.96
	At the end of the Year 31-Mar-2018	4500	0.96	4500	0.96
5	Central Bank of India				
	At the beginning of the year 01-Apr-2017	3500	0.74	3500	0.74
	At the end of the Year 31-Mar-2018	3500	0.74	3500	0.74
6	Zachariah V C				
	JT1: Mrs. Mini Zachariah				
	At the beginning of the year 01-Apr-2017	2545	0.54	2545	0.54
	At the end of the Year 31-Mar-2018	2545	0.54	2545	0.54
7	Meenakshi Meyyappan				
	JT1: Mr.M.Meyyappan				
	At the beginning of the year 01-Apr-2017	2300	0.49	2300	0.49
	At the end of the Year 31-Mar-2018	2300	0.49	2300	0.49
8	Alyamma George				
	At the beginning of the year 01-Apr-2017	2000	0.43	2000	0.43
	At the end of the Year 31-Mar-2018	2000	0.43	2000	0.43
9	Vijayalakshmi R				
	At the beginning of the year 01-Apr-2017	2000	0.43	2000	0.43
	Sale on 12-May-2017	-2000	0.43	-2000	0.43
	At the end of the Year 31-Mar-2018	0	0	0	0
10	Chinnamma Philip				
	At the beginning of the year 01-Apr-2017	2000	0.43	2000	0.43
	Sale on 23-Jun-2017	-2000	0.43	-2000	0.43
	At the end of the Year 31-Mar-2018	0	0	0	0
11	Cyrus Sorabji Jokhi				
	JT1: Mrs. Bakhtawar Marezban Canteenwalla				
	At the beginning of the year 01-Apr-2017	2000	0.43	2000	0.43
	At the end of the Year 31-Mar-2018	2000	0.43	2000	0.43
12	Zibi Jose PP				
	At the beginning of the year 01-Apr-2017	1700	0.36	1700	0.36
	Purchase on 27-Feb-2018	300	0.06	2000	0.43
	At the end of the Year 31-Mar-2018	2000	0.43	2000	0.43

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-2017	200566	42.66	200566	42.66
	Purchase on 09-Mar-2018	8000	1.70	208566	44.36
	At the end of the year 31-Mar-2018	208566	44.36	208566	44.36
2	Mr. Dilip Thomas				
	At the beginning of the year 01-Apr-2017	145274	30.90	145274	30.90
	Purchase on 09-Mar-2018	8000	1.70	153274	32.60
	At the end of the Year 31-Mar-2018	153274	32.60	153274	32.60
Key Managerial Personnel					
1	Mr. R Venugopalan, Chief Financial Officer				
	At the beginning of the year 01-Apr-2017	70	0.01	70	0.01
	At the end of the Year 31-Mar-2018	70	0.01	70	0.01

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total(i + ii + iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
Addition				
Reduction				
Net Change Indebtedness	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total(i + ii + iii)	Nil	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			385.53

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.	Independent Directors				
	Mr. P Shankar	2.75	-	-	2.75
	Mr. A D Bopana	1.35	-	-	1.35
	Mr. F.S.Mohan Eddy (w.e.f. 30th May, 2017)	2.60	-	-	2.60
	Total (1)	6.70	-	-	6.70
2.	Other Non-Executive Directors				
	Mr. Habib Hussain	1.60	-	-	1.60
	Mrs. Kavitha Vijay (w.e.f. 2nd August, 2017)	1.60	-	-	1.60
	Total (2)	3.20	-	-	3.20
	Total (B) = (1+2)	9.90	-	-	9.90
	Total Managerial Remuneration	9.90			9.90
	Overall Ceiling as per the Act		N.A		

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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	63.00	63.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	20.84	20.84
	(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	83.84	83.84

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2018.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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	4238.26
Prescribed CSR expenditure	84.77
Amount unspent	0.19

Weblink to the CSR Policy:

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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.	Sports Promotion (Tennis)	Promoting nationally recognized sports & Olympic sports;	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Direct
2.	Providing home based care for people with serious life-limiting illness in urban & under-served areas	Promoting Health Care	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Through Implementing agency
3.	Providing treatment for cancer to the children from the lower socio-economic group	Promoting Health Care	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs. 5.00 lakhs	Through Implementing agency
4.	Providing treatment for kidney disease for the under privileged people	Promoting Health Care	Chennai	Rs. 10.08 lakhs	Rs. 10.08 lakhs	Rs. 10.08 lakhs	Through Implementing agency

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

S. No.	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs : (1) Local area or other (2) Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure up to the reporting period	Amount Direct or through implementing agency
5.	Educational support for girls who are first generation learners	Promoting Education and Empowering Women.	Chennai	Rs 3.00 lakhs	Rs 3.00 lakhs	Rs 3.00 lakhs	Through Implementing agency
6.	Employment programme enhancing vocational skills and livelihood enhancement especially for differently abled	Employment enhancing vocational skills among differently abled and livelihood enhancement projects	Chennai	Rs 2.50 lakhs	Rs 2.50 lakhs	Rs 2.50 lakhs	Through Implementing agency
7.	Support of Intellectually Challenged Children from economically backward section of society	Promoting Health Care, Promoting education, including special education for the differently abled and measures for reducing inequalities faced by socially and economically backward groups.	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Through Implementing agency

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

S. No.	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs : (1) Local area or other (2) Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure up to the reporting period	Amount Direct or through implementing agency
8.	Rehabilitation of disabled people with focus on children and young adults	Promoting Health Care	Chennai	Rs 3.00 lakhs	Rs 3.00 lakhs	Rs 3.00 lakhs	Through Implementing agency
9.	Rehabilitation, Care and Support of People Living with HIV/AIDS, especially Children and Women and also promoting their rights and addressing their holistic empowerment	Promoting Health Care and Empowering women.	Kolkata	Rs 15.00 lakhs	Rs 15.00 lakhs	Rs 15.00 lakhs	Through Implementing agency
10.	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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

S. No.	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs : (1) Local area or other (2) Specify the State and District where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure up to the reporting period	Amount Direct or through implementing agency
11.	Caretaking of abandoned senior citizens by providing them with food, shelter, clothing, medical attention and other facilities	Home for the Aged	Chennai	Rs 5.00 lakhs	Rs 5.00 lakhs	Rs 5.00 lakhs	Direct
12.	Renovation of School Building	Promoting education, including special education and employment enhancing vocational skills among children	Tirunelveli	Rs 10.00 lakhs	Rs 10.00 lakhs	Rs 10.00 lakhs	Direct
13.	Care taking of the abandoned senior citizens	Setting up old age homes, day care centres and such other facilities for senior citizens	Chennai	Rs 3.00 lakhs	Rs 3.00 lakhs	Rs 3.00 lakhs	Direct
14.	Caretaking of abandoned children from hospital and other locations	Promoting livelihood enhancement projects for Children	Chennai	Rs 3.00 lakhs	Rs 3.00 lakhs	Rs 3.00 lakhs	Direct
	Total CSR Spent			Rs 84.58 lakhs	Rs 84.58 lakhs		

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Reasons for not spending the amount earmarked for CSR Activities

The Company has spent Rs.84.58 lakhs towards CSR Activities as against Rs.84.77 lakhs required to be spent for the Financial Year 2017-18.

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.

Mr. Dilip Thomas
Executive Vice Chairman (Member)

Ajit Thomas
Chairman (CSR Committee)

Chennai
12th July, 2018

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

INDEPENDENT AUDITOR'S REPORT

To

The Members of
A V THOMAS & COMPANY LIMITED, ALAPPUZHA

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of A V Thomas & Company Limited ('the Company') which comprise the Balance Sheet as at 31-March-2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 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 31-March-2018, and its Profit and its cash flows for the year ended on that date.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ('the Order'), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as 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 31-March-2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31-March-2018 from being appointed as a director in terms of Section 164 (2) of the Act.;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in Annexure B; and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The company does not have any pending litigations which would impact its financial position
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and protection Fund by the company other than a sum of Rs.9,750/- relating to preference capital redeemed by the company during FY 1993-94 which has been transferred on 22/05/2018.

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

R.MAHESH
Partner
Membership No. 24775

Place: Chennai
Date : 12th July, 2018

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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

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

Name of the Statute	Nature of the dues	Amount (₹)	Forum where dispute is pending
Kerala General Sales tax Act	KGST Demand (1996-97, 97-98, 2000-01 & 2001-02) Assessments	2,17,469	Giving effect to Deputy Commissioner (Appeals) Kollam order pending
Central Sales Tax Act	CST Demand 1988-89, 1990-91 1993-94 to 1995-96 2001-02 to 2004-05	4,80,753	Deputy Commissioner of Commercial Taxes, Alappuzha
Odisha Value Added Tax Act	Entry Tax Demand AY 2009-10 to 2012-13	35,71,550	Joint Commissioner of Commercial Taxes, Berhampur.
Income Tax	Demand for Assessment Year 2009-10, 2011-12 & 2012-13	23,33,340	Commissioner of Income Tax (Appeals) Kottayam

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

- 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

R.MAHESH
Partner
Membership No. 24775

Place: Chennai
Date : 12th July, 2018

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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-2018 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.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

R.MAHESH
Partner
Membership No. 24775

Place: Chennai
Date : 12th July, 2018

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	NOTE NO	Amount in ₹	
		31.03.2018	31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	47,02,000	47,02,000
(b) Reserves and Surplus	3	<u>196,86,17,415</u>	<u>181,90,21,148</u>
		<u>197,33,19,415</u>	<u>182,37,23,148</u>
(2) Non-Current Liabilities			
Long Term Provisions	4	2,07,18,296	2,03,52,831
(3) Current Liabilities			
(a) Short-term borrowings	5	Nil	Nil
(b) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises and		44,38,318	19,01,089
Total outstanding dues of creditors other than micro enterprises and small enterprises		48,59,15,075	22,37,72,621
(c) Other current liabilities		4,66,16,415	7,03,68,625
(d) Short-term provisions		<u>17,16,01,253</u>	<u>17,26,80,593</u>
		<u>70,85,71,061</u>	<u>46,87,22,928</u>
TOTAL		<u>270,26,08,772</u>	<u>231,27,98,907</u>
II. ASSETS			
(1) Non - Current Assets			
(a) Property, Plant & Equipment			
(i) Tangible assets	6	25,74,80,331	26,06,69,354
(ii) Capital work-in-progress	37	1,19,19,916	Nil
(b) Non-current investments	7	56,79,26,523	40,65,88,414
(c) Deferred Tax Asset	8	1,97,00,000	1,83,00,000
(2) Current Assets			
(a) Current Investments	9	19,37,12,286	16,19,70,949
(b) Inventories	10	90,27,45,012	69,76,38,968
(c) Trade receivables	11	38,51,38,117	33,83,53,084
(d) Cash and cash equivalents	12	9,15,06,611	22,79,73,735
(e) Short-term loans and advances	13	25,97,00,226	19,15,05,133
(f) Other current assets - Accrued Income		<u>1,27,79,750</u>	<u>97,99,270</u>
		<u>184,55,82,002</u>	<u>162,72,41,139</u>
Significant Accounting Policies	1		
TOTAL		<u>270,26,08,772</u>	<u>231,27,98,907</u>

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

Vide our Report of date attached

For and on behalf of the Board

For SURI & CO.

Chartered Accountants
Firm's Regn.No: 004283S
R. MAHESH
Partner

AJIT THOMAS
Executive Chairman

P. SHANKAR
Director

Place : Chennai,

Membership No. 24775

Date : 12th July, 2018

R. VENUGOPALAN
Chief Financial Officer

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

PARTICULARS	NOTE NO	Amount in ₹	
		31.03.2018	31.03.2017
I. Revenue from operations (Net of Excise Duty)	14	776,91,14,738	657,29,19,196
II. Other Income	15	2,03,07,717	5,41,67,775
III. Total Revenue	(I + II)	<u>778,94,22,455</u>	<u>662,70,86,971</u>
IV. Expenses:			
Cost of Materials Consumed	16	370,17,78,100	317,69,34,169
Purchase of Stock-in-Trade		250,19,10,007	192,61,17,162
Changes in Inventories of Finished Goods & Stock in Trade	17	(9,40,143)	10,14,03,501
Employee Benefit Expense	18	30,93,49,468	26,32,90,318
Finance Costs	19	83,55,581	55,11,198
Depreciation and amortization expense		2,93,70,712	3,05,37,949
Selling Expenses	20	56,92,46,720	40,92,00,371
Manufacturing Expenses	21	12,04,39,750	12,27,62,410
Other Expenses	22	17,93,27,743	18,38,96,069
Total Expenses		<u>741,88,37,938</u>	<u>621,96,53,147</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		37,05,84,517	40,74,33,824
VI. Exceptional / Extra ordinary items		Nil	Nil
VII. Profit before tax	(V - VI)	<u>37,05,84,517</u>	<u>40,74,33,824</u>
VIII. Tax expense:			
Current tax		13,75,00,000	14,25,00,000
Deferred tax		(14,00,000)	(24,00,000)
IX. Profit/(Loss) for the period	(VII- VIII)	<u>23,44,84,517</u>	<u>26,73,33,824</u>
X. Earnings per equity share:			
(1) Basic	29	498.69	568.55
(2) Diluted	29	498.69	568.55

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

Vide our Report of date attached
For SURI & CO.

Chartered Accountants
Firm's Regn.No: 004283S
R. MAHESH
Partner

Membership No. 24775

For and on behalf of the Board

AJIT THOMAS
Executive Chairman

P. SHANKAR
Director

Place : Chennai,

Date : 12th July, 2018

R. VENUGOPALAN
Chief Financial Officer

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items:	37,05,84,517	40,74,33,824
Adjustments for:		
Depreciation	2,93,70,712	3,05,37,949
Profit on Sale of Assets / Investments	(22,13,591)	(3,52,95,070)
Interest / Dividend Received	(1,12,03,522)	(98,49,231)
Provision for Gratuity / Leave Encashment	9,79,798	47,20,121
Interest Paid	83,55,581	55,11,198
	2,52,88,978	(43,75,033)
Operating Profit before Working Capital Changes	39,58,73,495	40,30,58,791
Adjustments for:		
Trade Receivables	(4,67,85,033)	7,99,08,221
Inventories	(20,51,06,044)	13,02,86,876
Trade Payables	26,46,79,683	(14,23,46,676)
Other current liabilities	(2,38,95,436)	40,13,332
Other current assets	(7,55,17,264)	(5,79,36,605)
	(8,66,24,094)	1,39,25,148
Cash Generated from Operations	30,92,49,401	41,69,83,939
Direct Taxes Paid	(13,32,74,227)	(14,12,42,055)
Net Cash from Operating Activities	17,59,75,174	27,57,41,884
B CASH FLOW FROM INVESTING ACTIVITIES		
Sales of Fixed Assets	92,141	16,47,213
Purchase of Fixed Assets	(3,79,40,030)	(3,55,15,930)
Interest / Dividend Received	82,23,042	95,53,114
Purchase of Investments	(49,11,51,597)	(48,40,91,878)
Sale of Investments	30,00,32,026	40,03,47,787
Net Cash From Investing Activities	(22,07,44,418)	(10,80,59,694)

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

	Amount in ₹	
	31.03.2018	31.03.2017
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(83,55,581)	(55,11,198)
Dividend Paid (Including tax on Dividend)	(8,47,45,025)	(4,34,11,625)
Net Cash From Financing Activities	<u>(9,31,00,606)</u>	<u>(4,89,22,823)</u>
Net Increase in Cash and Cash Equivalents	<u>(13,78,69,850)</u>	<u>11,87,59,367</u>
Cash and Cash Equivalents as at 01.04.2017	17,45,77,518	5,58,18,151
Cash and Cash Equivalents as at 31.03.2018	<u>3,67,07,669</u>	<u>17,45,77,518</u>
	<u>(13,78,69,850)</u>	<u>11,87,59,367</u>

Vide our Report of date attached
For SURI & CO.

Chartered Accountants
Firm's Regn.No: 004283S
R. MAHESH
Partner

Membership No. 24775

Place : Chennai,
Date : 12th July, 2018

For and on behalf of the Board

AJIT THOMAS
Executive Chairman

P. SHANKAR
Director

R. VENUGOPALAN
Chief Financial Officer

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Note - 1:

NOTES ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2018

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.

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.

a. 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.

b. 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 CENVAT/VAT/GST credit is available), freight and other direct or allocated expenses during construction period, net of any income earned. Assets acquired on hire purchase are capitalised at principal value.

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

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

c. 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.

d. 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.

e. 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.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

f. 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 CENVAT/VAT/GST credit is available), freight and other direct expenses.

g. 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 sales taxes and value added taxes (VAT) 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 service tax 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.

h. 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.

i. 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.

j. 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.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

k. 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.

l. 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.

m. 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.

n. 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.

o. 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, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 2:		
SHARE CAPITAL		
a. AUTHORISED 20,00,000 Equity Shares of ₹10/- each	2,00,00,000	2,00,00,000
b. ISSUED, SUBSCRIBED AND PAID-UP 4,70,200 Equity Shares of ₹10/- each	47,02,000	47,02,000
c. Reconciliation of shares outstanding at the beginning and at the end of the reporting year		
Number of shares at the beginning of the year	4,70,200	4,70,200
Add/(Less) shares issued / buyback etc.	Nil	Nil
Number of shares at the end of the year	4,70,200	4,70,200
d. Details of shareholders holding more than 5% of equity shares.		
	31.03.2018	31.03.2017
Name of the shareholder	No of Shares Held	% of Holding
Mr.Ajit Thomas	2,08,566	44.36
Mr.Dilip Thomas	1,53,274	32.60
No of Shares Held	2,00,566	42.66
% of Holding	1,45,274	30.90
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)		
NOTE - 3:		
RESERVES AND SURPLUS		
	₹	₹
GENERAL RESERVE:		
As per last Balance Sheet	141,94,79,502	
Add: Transfer from Statement of Profit and Loss	10,00,00,000	
	151,94,79,502	141,94,79,502
Surplus/(deficit) in the statement of Profit and Loss		151,94,79,502
Balance as per last financial statements	39,95,41,646	22,46,51,946
Profit for the year	23,44,84,517	26,73,33,824
	63,40,26,163	49,19,85,770
Less: Appropriations		
Final Dividend on Equity Shares for FY 16-17 @ ₹75 per share	3,52,65,000	Nil
Tax on Final Dividend for FY 16-17	71,79,125	Nil
Interim Dividend on Equity shares @ ₹ 75 per share (Previous year ₹75)	3,52,65,000	3,52,65,000
Tax on Interim Dividend	71,79,125	71,79,125
Transfer to General Reserve	10,00,00,000	5,00,00,000
	18,48,88,250	9,24,44,125
Net surplus in the Statement of Profit and Loss	44,91,37,913	39,95,41,646
Total reserves and surplus	196,86,17,415	181,90,21,148

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 4:		
NON CURRENT LIABILITIES		
Long term Provisions		
Provision for Employee benefits (Refer Note : 34)		
Provision for Gratuity	2,84,632	2,64,358
Provision for Leave Encashment	2,04,33,664	2,00,88,473
	2,07,18,296	2,03,52,831
NOTE - 5:		
CURRENT LIABILITIES		
(a) Short term borrowings	Nil	Nil
<p>The company's borrowing facilities comprising cash credit and other facilities of Rs.4860 Lakhs (Rs.4860 Lakhs) secured by hypothecation of inventories and book debts and equitable mortgage of land & building at Bodinaikanur</p> <p>No loans have been guaranteed by Directors or Others</p> <p>Period and amount of default as on 31-03-2018 Nil</p>		
(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	44,38,318	19,01,089
Total outstanding dues of creditors other than micro enterprises and small enterprises	48,59,15,075	22,37,72,621
(c) Other Current Liabilities		
- Unclaimed Dividend	67,11,300	65,68,075
- Refund of Capital	9,750	9,750
- Other Current Liabilities	3,98,95,365	6,37,90,800
	4,66,16,415	7,03,68,625
(d) Short term Provisions		
Provision for Employee benefits (Refer Note : 34)		
Provision for Gratuity	65,52,003	63,57,993
Provision for Leave Encashment	72,61,887	68,41,564
Other provisions		
Provision for Taxation	15,77,87,363	15,94,81,036
	17,16,01,253	17,26,80,593

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2018

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

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 1.4.2017	As at Additions	Deductions	As at 31.3.2018	Upto 31.3.2017	For the Year	Withdrawn	Upto 31.3.2018	As at 31.3.2018	As at 31.3.2017
Land *	11,05,11,365	Nil	Nil	11,05,11,365	Nil	Nil	Nil	Nil	11,05,11,365	11,05,11,365
Agricultural Land	1,63,06,667	Nil	Nil	1,63,06,667	Nil	Nil	Nil	Nil	1,63,06,667	1,63,06,667
Buildings *	9,52,04,032	Nil	Nil	9,52,04,032	5,22,37,669	40,35,946	Nil	5,62,73,615	3,89,30,417	4,29,66,365
Plant & Equipment	16,06,80,368	1,62,47,752	3,23,700	17,66,04,420	10,74,63,388	1,22,38,429	3,15,950	11,93,85,867	5,72,18,553	5,32,16,979
Furniture & Fixtures	1,78,36,945	42,05,288	Nil	2,20,42,233	1,60,24,149	5,58,019	Nil	1,65,82,168	54,60,065	18,12,793
Vehicles	8,23,70,283	55,67,074	6,29,661	8,73,07,696	4,65,15,098	1,22,93,399	5,54,065	5,82,54,432	2,90,53,264	3,58,55,165
TOTAL	48,29,09,660	2,60,20,114	9,53,361	50,79,76,413	22,22,40,304	2,91,25,793	8,70,015	25,04,96,082	25,74,80,331	26,06,69,354
<i>Previous Year</i>	45,29,26,967	3,55,15,929	55,33,238	48,29,09,658	19,59,01,764	3,02,80,138	39,41,598	22,22,40,304	26,06,69,354	22,58,84,892

* Includes ₹ 1,65,57,994 and ₹ 12,69,499 respectively representing cost of Land and Buildings in Joint Ownership with other Companies, the book value of which amounted to ₹ 1,65,57,994 and ₹ 3,17,339.

Note : The Company does not have any lease hold assets

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

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

Description	As at 1-4-2017		Additions		Deductions		As at 31-3-2018	
	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹
I. Investment in Equity Instruments								
A. QUOTED								
Equity Shares - Fully Paid - up Fertilizers & Chemicals (Travancore) Ltd.	5	19					5	19
		<u>19</u>						<u>19</u>
B. UNQUOTED								
Equity Shares - Fully Paid - up: Chennai Willingdon Corporate Foundation L.J.International Limited A.V.Thomas Investments Co. Ltd.(Associate Company) AVT Gavia Foods Pvt. Ltd (Associate Company) * The Midland Rubber & Produce Co. Ltd Madura Micro Finance Ltd	30 32,200 1,19,480 1,00,00,000 100 8,55,002	300 61,582 11,94,800 10,00,48,413 77,500 30,00,00,090 <u>40,13,82,685</u>	10,00,000 400 3,04,433 <u>16,15,83,028</u>	1,00,00,000 15,82,800 15,00,00,228 <u>16,15,83,028</u>	Nil Nil Nil <u>Nil</u>	30 32,200 1,19,480 1,10,00,000 500 11,59,435 <u>56,29,65,713</u>	300 61,582 11,94,800 11,00,48,413 16,60,300 45,00,00,318 <u>56,29,65,713</u>	
II. Investment Properties								
Value of Land		3,07,325						3,07,325
Value of Building (including Fittings and Fixtures)		1,07,25,437						1,07,25,437
		<u>1,10,32,762</u>						<u>1,10,32,762</u>
Less: Depreciation		58,27,052						60,71,971
		<u>52,05,710</u>						49,60,791
TOTAL		<u>40,65,88,414</u>				<u>16,15,83,028</u>		<u>56,79,26,523</u>
Aggregate amount of Quoted Investments (Market Value ₹ 255 P.Y. ₹ 206)		19						19
Aggregate amount of Unquoted Investments		40,13,82,685						56,29,65,713
Value of Investment Properties		1,10,32,762						1,10,32,762
Aggregate provision for depreciation in value of immovable properties		(58,27,052)						(60,71,971)
		<u>40,65,88,414</u>						<u>56,79,26,523</u>

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

NOTE - 8:	31.03.2018	31.03.2017
	₹.	₹.
DEFERRED TAX ASSET (NET)		
(Refer Note : 37)		
Deferred Tax Assets	1,97,00,000	1,83,00,000
Deferred Tax Asset	1,97,00,000	1,83,00,000

NOTE - 9:
CURRENT INVESTMENTS : (Valued at Lower of Cost and Fair value)

Description	As at 1-4-2017			Additions			Deductions			As at 31-3-2018		
	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 ₹.		
QUOTED												
IN MUTUAL FUNDS :												
ICICI Short term Plan - Regular Growth	17,80,194	4,25,75,471	Nil	Nil			17,80,194			4,25,75,471		
RELIANCE Arbitrage Advantage Fund (Monthly Dividend)	Nil	Nil	1,16,46,951	12,39,53,767			Nil		1,16,46,951	12,39,53,766		
IDFC Arbitrage Fund - Dividend (Regular Plan)	27,15,405	3,38,28,536	67,286	8,50,245			27,82,691	3,46,78,780		Nil		
ICICI Equity Arbitrage Fund - Reg. Div	31,14,716	4,28,57,749	38,85,810	5,35,58,672			51,46,218	7,08,66,194	18,54,308	2,55,50,226		
IDFC Ultra Short Term Fund	Nil	Nil	64,83,036	15,00,00,000			64,12,558	14,83,67,177	70,477	16,32,823		
Kotak Equity Arbitrage Fund - Monthly Dividend	39,79,440	4,27,09,193	1,12,383	12,05,886			40,91,823	4,39,15,079	Nil	Nil		
	1,15,89,755	16,19,70,949	2,21,95,465	32,95,68,569			1,84,33,290	29,78,27,230	1,53,51,930	19,37,12,286		
Aggregate amount of Quoted Investments (Market Value ₹ 21,47,19,284 P.Y. ₹ 18,06,65,819)		16,19,70,949								19,37,12,286		

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 10 :		
INVENTORIES:(Valued at lower of cost and net realisable value)		
Raw Materials	50,14,43,812	35,15,71,926
Stores and Spares	6,15,23,811	4,65,54,750
Finished Goods		
- Packed Tea	7,65,45,961	7,37,20,405
- Packed Coffee	36,41,431	28,23,093
- Premix	1,57,66,922	Nil
Stock in Trade		
- Roofing Sheets & Others	20,44,98,121	22,29,68,794
Goods in Transit	3,93,24,954	Nil
	<u>90,27,45,012</u>	<u>69,76,38,968</u>
NOTE - 11:		
TRADE RECEIVABLES		
(A) Trade receivables outstanding for more than six months from the date they become due for payment		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	2,36,51,354	1,78,29,575
(iii) Doubtful	9,59,316	9,59,316
	<u>2,46,10,670</u>	<u>1,87,88,891</u>
Less : Allowances for Bad and Doubtful Debt	9,59,316	9,59,316
	<u>2,36,51,354</u>	<u>1,78,29,575</u>
(B) Trade receivables (others)		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	36,14,86,763	32,05,23,509
(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>36,14,86,763</u>	<u>32,05,23,509</u>
Total	<u>38,51,38,117</u>	<u>33,83,53,084</u>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 12:		
CASH & CASH EQUIVALENTS		
Cash and Stamps on hand	4,74,040	3,61,219
Balance with banks		
- In Current Account	3,50,16,264	9,31,66,299
- In Deposit Account	<u>12,17,365</u>	<u>8,10,50,000</u>
	<u>3,67,07,669</u>	<u>17,45,77,518</u>
- In Dividend / Refund of Capital Account	67,21,050	65,77,825
- In Margin Money Deposit for Issue of Letters of Credit and Guarantee	<u>4,80,77,892</u>	<u>4,68,18,392</u>
	<u>5,47,98,942</u>	<u>5,33,96,217</u>
Total	<u>9,15,06,611</u>	<u>22,79,73,735</u>
Bank deposit with more than 12 months maturity	10,35,000	4,50,96,000

NOTE - 13:

SHORT TERM LOANS & ADVANCES:

Considered good - Unsecured		
Advances recoverable in cash or in kind or for value to be received (Refer Note: 32)		
	10,76,13,350	3,41,70,421
Tax payments pending adjustment	13,64,55,556	14,23,75,002
Deposits	1,52,50,621	1,44,11,327
Balance with Customs, Port Trust etc.,	<u>3,80,699</u>	<u>5,48,383</u>
	<u>25,97,00,226</u>	<u>19,15,05,133</u>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 14:		
REVENUE FROM OPERATIONS		
SALE OF PRODUCTS		
- Tea, Coffee & Premix	482,09,95,555	418,10,00,474
- Traded Goods	270,60,75,551	213,83,50,940
- Roofing Materials	26,97,31,568	
Less : Excise Duty	90,57,487	25,80,70,465
	778,77,45,187	657,74,21,879
Less : Trade Discount	11,89,67,826	10,99,53,315
	766,87,77,361	646,74,68,564
SALE OF SERVICES - Logistics	6,97,14,601	7,55,23,245
OTHER OPERATING REVENUE		
Export Incentives	3,06,22,776	2,99,27,387
	776,91,14,738	657,29,19,196
 NOTE - 15:		
OTHER INCOME :		
Interest	33,82,016	8,32,443
Income from Investments - Long term	10,52,937	2,500
Income from Investments - Short term	67,68,569	90,14,288
Rent	1,59,000	1,11,000
Service Income	60,000	60,000
Profit on Sale of Current Investments	22,04,796	3,52,39,498
Profit on Sale of Tangible Assets	8,795	55,572
Insurance Claims	2,89,809	30,50,382
Exchange Fluctuation Gain	19,05,016	20,42,209
Miscellaneous Income	44,76,779	37,59,883
	2,03,07,717	5,41,67,775

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 16:		
COST OF MATERIALS CONSUMED:		
Garden Tea	313,12,72,803	266,59,88,159
Coffee	6,46,65,539	6,11,49,800
Chicory	1,64,22,930	1,35,85,499
Roofing Materials	23,96,63,927	22,89,63,877
Premix	1,57,66,922	Nil
Packing & Other Materials	23,39,85,979	20,72,46,834
	370,17,78,100	317,69,34,169
NOTE - 17:		
CHANGES IN INVENTORIES		
INCREASE(-) / DECREASE (+) IN STOCK		
Opening Stock		
Packed Tea	7,37,20,405	9,74,91,450
Packed Coffee	28,23,093	46,96,431
Traded Goods	22,29,68,794	29,87,27,912
	29,95,12,292	40,09,15,793
Closing Stock		
Packed Tea	7,65,45,961	7,37,20,405
Packed Coffee	36,41,431	28,23,093
Traded Goods	22,02,65,043	22,29,68,794
	30,04,52,435	29,95,12,292
	(9,40,143)	10,14,03,501
NOTE - 18:		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	26,46,43,847	21,86,20,151
Contribution to Provident and Other Funds	3,16,36,436	2,80,28,125
Provision for Gratuity (Refer Note : 34)	2,14,284	14,84,784
Provision for Leave Encashment (Refer Note : 34)	7,65,514	32,35,337
Welfare	1,20,89,387	1,19,21,921
	30,93,49,468	26,32,90,318
NOTE - 19:		
FINANCE COST		
Interest expense	83,55,581	55,11,198
	83,55,581	55,11,198

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 20: SALES EXPENSES:		
Sales Tax	2,46,251	8,65,688
Freight & Transport	16,81,57,884	12,98,11,035
Insurance	25,47,654	22,52,001
Commission	2,63,20,813	1,42,58,599
Advertisement	11,15,32,774	8,34,54,786
Consumer Offer	7,57,18,900	4,57,03,571
Discounts to Consumers	10,11,35,850	6,81,50,389
Dealer incentives	6,30,26,103	5,09,53,783
Business Promotion	2,05,60,491	1,37,50,519
	56,92,46,720	40,92,00,371
NOTE - 21: MANUFACTURING EXPENSES		
Packing charges	7,69,06,055	8,30,09,051
Power and Fuel	48,32,465	41,79,395
Rent	2,44,85,332	2,55,91,938
Repairs and Maintenance		
- Buildings	56,01,842	41,94,974
- Machinery	86,14,056	57,87,052
	12,04,39,750	12,27,62,410
NOTE - 22: OTHER EXPENSES		
Power and Fuel	33,81,485	36,03,003
Rent	1,57,89,958	1,79,87,591
Rates and Taxes	60,79,015	88,32,601
Insurance	37,09,999	38,93,933
Travelling Expenses	4,50,34,391	3,50,39,247
Repairs and Maintenance		
- Buildings	73,84,297	80,66,806
- Machinery	58,46,306	69,20,101
- Vehicles	1,51,14,359	1,52,26,440
- Others	6,85,035	15,31,007
Directors' Sitting Fees	9,90,000	2,60,000
Payment to Statutory Auditors		
- As Auditors	20,00,000	15,00,000
- For Tax Audit /Certification	8,86,326	10,15,000
- For Reimbursement of expenses	1,15,000	1,87,500
- For Service tax	Nil	4,05,378
CSR Expenditure (Refer Note: 33)	84,58,000	80,00,000
Provision for Bad and Doubtful Debts	Nil	9,59,316
Professional and Legal Fees	1,80,57,650	2,01,00,328
Miscellaneous Expenses	4,57,95,922	5,03,67,818
	17,93,27,743	18,38,96,069

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

	31.03.2018		31.03.2017	
NOTE - 23:				
PARTICULARS OF MATERIALS CONSUMPTION				
Materials Consumed	Qty	Value	Qty	Value
Garden Tea	%	₹	%	₹
Indigenous	100	313,12,72,803	100	266,59,88,159
		313,12,72,803		266,59,88,159
Roofing Materials				
Indigenous	100	23,96,63,927	100	22,89,63,877
Raw Coffee and Chicory				
Indigenous	100	8,10,88,469	100	7,47,35,299
Premix				
Indigenous	100	1,57,66,922	100	Nil
Packing and Other Materials				
Indigenous	99.89	23,37,33,571	99.15	20,54,91,203
Imported	0.11	2,52,408	0.85	17,55,631
		23,39,85,979		20,72,46,834
			Amount in ₹	
			31.03.2018	31.03.2017
24 Earnings in Foreign Exchange				
F.O.B. Value of Exports			67,71,10,850	45,68,46,049
25 Expenditure in Foreign Currency				
Travelling			47,39,194	42,81,540
Commission			2,60,10,073	1,31,09,135
Advertisement & Sales Promotion			19,96,703	27,33,458
26 CIF Value of Imports				
Capital Goods			28,10,032	45,21,290
Stock in Trade			1,04,75,933	63,27,169
Packing Materials			2,52,408	17,55,631
Stores and Spares			Nil	62,709

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

		Amount in ₹	
		31.03.2018	31.03.2017
27	Sundry Debtors include		
	Debts due by Private Limited Companies in which Director/s are interested as Director/s.		
	AVT McCormick Ingredients Private Limited	33,64,541	24,71,809
	A V Thomas Leather & Allied Products Private Limited	26,01,347	46,96,557
	AVT Gavia Foods Private Limited	2,35,919	4,91,050
	Alina Private Limited	55,75,776	35,57,100
	AVT Holdings Private Limited	14,160	Nil
	Aspera Logistics Pvt. Ltd.	14,160	Nil
	Midland Corporate Advisory Service Ltd.	14,160	Nil
	Provision Value Gard Pvt. Ltd.	14,160	Nil
28	Total outstanding to Micro & Small Enterprises (SMEs)		
	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 2018 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	44 38 318	19 01 089
	(ii) Principal due to Medium Enterprise	6 28 018	Nil
	(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
29	Earnings Per Share		
	Profit after Taxation	23,44,84,517	26,73,33,824
	Number of Equity Shares outstanding at the end of the year	4,70,200	4,70,200
	Earnings per share (Basic and Diluted)	498.69	568.55

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

		Amount in ₹	
		31.03.2018	31.03.2017
30	Contingent Liabilities and Commitments		
	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	18,19,466	Nil

31 DIVIDEND

The Board of Directors in its meeting on 12th July 2018 have proposed a final dividend of Rs.75 Per Equity Share for financial year ended 31st March 2018. The proposal is subject to the approval of Shareholders at the Annual General Meeting to be held on 30th August, 2018 and if approved, would result in a cash out flow of approximately Rs.4.25 Crores including corporate dividend tax

32 EXIT OFFER TO THE SHAREHOLDERS OF THE COMPANY

The Board of Directors of the Company along with its Promoters, decided in its meeting held on 10th February, 2017 to provide Exit Offer to the existing public shareholders. This is as per SEBI Circular No.SEBI/HO/MRD/DSA/CIR/P/2016/110, dated 10th October, 2016.

In this regard one of the Promoters of the Company, namely, The Midland Rubber & Produce Co. Ltd., has given a Bank Guarantee to National Stock Exchange of India Limited, as per the Terms of the Exit Offer for Rs.54,80,64,720. The Board of Directors of the Company have decided to extend the Exit Offer period to the Shareholders till 14th of October 2018 which was approved by circular resolution on 27th June 2018

PARTICIPATION AS A PROMOTER - IN EXIT OFFER

The Board of Directors of the company in its meeting held on 10th February, 2017, has decided to participate in the Exit Offer of one of the Group Company namely, The Midland Rubber & Produce Co.Ltd. The cost incurred till 31st March 2018 amounting to Rs.57,05,762 (Rs.37,75,547) towards the same shown under the head Loans and Advances will be capitalised alongwith the cost of shares. The company has given a Bank Guarantee of Rs.44,09,50,274/- to the National Stock Exchange Limited, for which the company has made a Margin Money Deposit of Rs.4,40,96,000/-.

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 ₹ 84,76,525

(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	26,00,000	Nil	26,00,000
(b) Rehabilitation Programs	16,00,000	Nil	16,00,000
(c) Health Care	25,08,000	Nil	25,08,000
(d) Sports Promotion	5,00,000	Nil	5,00,000
(e) Education & employment	12,50,000	Nil	12,50,000
Total	84,58,000		84,58,000

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

34 Employee Benefits:

l) Defined Benefit Plans:

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

i) Gratuity Scheme:

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

ii) Leave Encashment:

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

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

	31.3.2018		31.3.2017	
	Gratuity (Funded Plan) ₹	Leave Encashment (Non Funded Plan) ₹	Gratuity (Funded Plan) ₹	Leave Encashment (Non Funded Plan) ₹
Present Value of the Obligation at beginning of period	5,28,82,278	2,69,30,037	4,55,01,510	2,36,94,700
Current Service Cost	43,63,701	50,53,280	36,03,134	55,23,520
Interest Cost	35,02,036	16,70,070	35,82,502	17,34,877
Benefits Paid	(33,65,847)	(50,27,614)	(14,40,468)	(40,17,486)
Actuarial loss / (gain)	(2,83,985)	(9,30,222)	16,35,600	(5,574)
Present Value of the Obligation as at end of the period	<u>5,70,98,183</u>	<u>2,76,95,551</u>	<u>5,28,82,278</u>	<u>2,69,30,037</u>

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

Fair Value of Plan Assets at beginning of period	4,65,24,285	Nil	4,06,13,531	Nil
Expected return on plan assets	38,17,600	Nil	35,00,200	Nil
Contribution by the Company	40,00,000	50,27,614	40,50,000	40,17,486
Benefits Paid	(33,65,847)	(50,27,614)	(14,40,468)	(40,17,486)
Actuarial gain / (loss)	(4,29,858)	Nil	(1,98,978)	Nil
Fair Value of Plan Assets at end of period	<u>5,05,46,180</u>	<u>Nil</u>	<u>4,65,24,285</u>	<u>Nil</u>

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

Current Service Cost	43,63,701	50,53,280	36,03,134	55,23,520
Interest Cost	35,02,036	16,70,070	35,82,502	17,34,877
Expected return on plan assets	(38,17,600)	N.A	(35,00,200)	N.A
Net Actuarial (gain) / loss recognised in the year	1,45,873	(9,30,222)	18,34,578	(5,574)
	<u>41,94,010</u>	<u>57,93,128</u>	<u>55,20,014</u>	<u>72,52,823</u>

e) Reconciliation of Net Liability recognised in the Balance Sheet

Net Liability as at the beginning of the year	63,57,993	2,69,30,037	48,87,979	2,36,94,700
Add : Expense as (d) above	41,94,010	57,93,128	55,20,014	72,52,823
Less: Employers Contribution / Payment	(40,00,000)	(50,27,614)	(40,50,000)	(40,17,486)
Net Liability as at the end of the year	<u>65,52,003</u>	<u>2,76,95,551</u>	<u>63,57,993</u>	<u>2,69,30,037</u>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

34 Employee Benefits: (Contd.)	31.3.2018		31.3.2017	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
	₹	₹	₹	₹
f) Constitution of Plan Assets:				
Investments in LIC Group Gratuity Scheme	5,05,46,180	Not Applicable	4,65,24,285	Not Applicable
g) Principal actuarial assumptions used as at the Balance Sheet date:				
Discount Rate	7.30%	7.30%	6.84%	6.84%
Salary Escalation Rate	6.50%	6.50%	7.00%	7.00%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.65%	NA	8.15%	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:

	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
	₹	₹	₹	₹	₹
Gratuity - Funded Plan					
Defined benefit obligation	5,70,98,183	5,28,82,278	4,55,01,510	4,12,46,587	4,17,21,089
Plan Assets	5,05,46,180	4,65,24,285	4,06,13,531	3,69,10,416	3,96,05,588
Surplus/(Deficit)	(65,52,003)	(63,57,993)	(48,87,979)	(43,36,171)	(21,15,501)
Experience adjustment - Plan Liabilities	(2,83,985)	16,35,600	14,28,043	38,37,338	2,21,297
Experience adjustment - Plan Assets	(4,29,858)	(1,98,978)	(2,22,430)	(3,94,410)	(2,06,005)

The Company expects to fund ₹ 45 Lakhs towards its gratuity plan during the year 2018/19.

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 ₹ 2,62,96,513 as expense towards contributions to these plans.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

35 Segment Information:

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

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

(i) Primary Segment Information

Amount in ₹

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

Particulars	Packet Tea & Coffee	Trade & Others	Services	Unallocable	Total
Segment Revenue					
External Revenue	471,23,39,263	298,70,60,874	697,14,601		776,91,14,738
	<i>407,94,83,199</i>	<i>241,99,54,960</i>	<i>755,23,245</i>		<i>657,49,61,405</i>
Inter-Segment Revenue					-
Total Revenue	471,23,39,263	298,70,60,874	6,97,14,601	-	776,91,14,739
Segment Result	33,72,92,726	4,10,06,746	2,40,57,805		40,23,57,276
	<i>33,47,29,719</i>	<i>4,88,97,261</i>	<i>2,25,62,977</i>		<i>40,61,89,957</i>
Less: Unallocated Corporate Expenses over Income				(2,34,17,179)	(2,34,17,179)
				<i>67,55,063</i>	<i>67,55,063</i>
Segment Result before Exceptional and non recurring items, interest and taxes	33,72,92,726	4,10,06,746	2,40,57,805	(2,34,17,179)	37,89,40,098
	<i>33,47,29,719</i>	<i>4,88,97,261</i>	<i>2,25,62,977</i>	<i>67,55,063</i>	<i>41,29,45,020</i>
Less: Finance Costs				(83,55,581)	(83,55,581)
				<i>(55,11,198)</i>	<i>(55,11,198)</i>
Segment Result before Exceptional and non recurring items, taxes	33,72,92,726	4,10,06,746	2,40,57,805	(3,17,72,760)	37,05,84,517
	<i>33,47,29,719</i>	<i>4,88,97,261</i>	<i>2,25,62,977</i>	<i>12,43,865</i>	<i>40,74,33,822</i>
Less: Provision for Taxation				(13,75,00,000)	(13,75,00,000)
				<i>(14,25,00,000)</i>	<i>(14,25,00,000)</i>
Add: Deferred Tax				14,00,000	14,00,000
				<i>(24,00,000)</i>	<i>(24,00,000)</i>
Segment Result after Tax	33,72,92,726	4,10,06,746	2,40,57,805	(16,78,72,760)	23,44,84,517
	<i>33,47,29,719</i>	<i>4,88,97,261</i>	<i>2,25,62,977</i>	<i>(13,88,56,133)</i>	<i>26,73,33,824</i>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

(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
Other Information					
Capital Employed	12,59,70,808	40,20,27,945	7,83,48,915	(60,63,47,668)	-
<i>(Segment Assets - Segment Liabilities)</i>	<i>28,93,48,440</i>	<i>34,84,84,066</i>	<i>7,88,41,714</i>	<i>(71,66,74,220)</i>	-
Capital Expenditure	1,51,69,325	91,77,277		16,73,512	2,60,20,114
	<i>1,57,29,431</i>	<i>1,64,50,370</i>		<i>34,65,478</i>	<i>3,56,45,279</i>
Depreciation	6,85,628	1,72,83,913	26,13,756	85,42,496	2,91,25,793
	<i>5,36,088</i>	<i>1,63,06,220</i>	<i>20,50,148</i>	<i>1,13,87,682</i>	<i>3,02,80,138</i>

(c) The reportable Segments are further described below :

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

The Trade segment includes trading of Cardamom, Premix of tea and coffee, Vending Machines, Dairy products, Manufacture of Roofing Materials and Aluminium & related Accessories.

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

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

Amount in ₹

	31.03.2018	31.03.2017
--	------------	------------

36 Deferred Tax Asset

Tax Impact of difference between carrying amount of Fixed Assets in the Financial Statements and the income tax returns	73,00,000	64,00,000
---	-----------	-----------

Tax impact of expenses charged in the financial statements but allowable as deduction in future years under Income Tax	1,24,00,000	1,19,00,000
--	-------------	-------------

Deferred Tax Asset	1,97,00,000	1,83,00,000
--------------------	-------------	-------------

37 Capital Work in Progress:

Capital work in progress includes Rs. 1,05,75,100 being advance paid for acquisition of lease hold land for the upcoming GI Pipe Project at Perundurai Tamilnadu.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

38 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.
- 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.
- 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.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

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

Amount in ₹

Details of Transactions:	31.03.2018		31.03.2017	
	Associate Companies/Trust	Key Management Personnel (Including Relatives)	Associate Companies/Trust	Key Management Personnel (Including Relatives)
INCOME:				
Sales	25,27,718	Nil	10,68,845	Nil
C&F and Warehousing Charges	4,98,24,968	Nil	4,57,07,104	Nil
Rent	1,35,000	Nil	87,000	Nil
Service Charges	60,000	Nil	60,000	Nil
Dividend Received	10,52,938	Nil	2,500	Nil
EXPENDITURE:				
Purchases	73,72,95,761	Nil	71,20,31,510	Nil
Rent	16,41,504	Nil	16,10,004	Nil
Reprocessing Charges	Nil	Nil	1,99,352	Nil
Remuneration	Nil	1,95,70,600	Nil	1,85,73,400
Sitting Fees	Nil	Nil	Nil	20,000
Purchase of Fixed Assets	15,90,750	Nil	Nil	Nil
Professional Fee	4,00,000	Nil	Nil	Nil
Donation Paid	1,10,00,000	Nil	1,00,00,000	Nil
Dividend Paid	28,59,075	5,20,26,000	4,12,500	2,60,35,500
OTHERS				
Investments in Shares	16,15,83,028	Nil	30,50,77,590	Nil
Balance as on 31st March 2018				
Debit Balance	1,87,66,117	Nil	1,76,77,872	Nil
Credit Balance	5,07,75,630	Nil	2,29,40,530	Nil

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

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

Vide our Report of date attached
For SURI & CO.

Chartered Accountants
Firm's Regn.No: 004283S
R. MAHESH
Partner

Membership No. 24775

For and on behalf of the Board

AJIT THOMAS
Executive Chairman

P. SHANKAR
Director

Place : Chennai,
Date : 12th July, 2018

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 %
2008-2009	19,60,72,494	1,79,03,262	6,85,00,000	48,46,29,132	4,70,20,000	1000
2009-2010	26,12,48,072	1,48,30,382	9,25,00,000	57,10,42,245	7,05,30,000	1500
2010-2011	30,22,28,873	2,04,52,872	10,25,00,000	71,60,32,491	4,70,20,000	1000
2011-2012	32,69,11,547	1,98,80,516	11,00,00,000	87,82,96,218	4,70,20,000	1000
2012-2013	37,54,68,720	1,95,81,268	12,25,00,000	104,89,29,978	7,05,30,000	1500
2013-2014	34,81,23,326	1,84,82,775	12,10,00,000	119,35,36,730	7,05,30,000	1500
2014-2015	43,08,00,910	2,84,81,211	13,71,00,000	140,24,77,589	7,05,30,000	1500
2015-2016	43,32,44,110	2,60,85,592	15,20,00,000	159,88,33,449	7,05,30,000	1500
2016-2017	40,74,33,824	3,05,37,949	14,01,00,000	182,37,23,148	7,05,30,000	1500
2017-2018	37,05,84,517	2,93,70,712	13,61,00,000	197,33,19,415	3,52,65,000	750 *
					3,52,65,000	750 **

* Interim Dividend Paid.

** Final Dividend Recommended

Consolidated Financial Statements

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Members of
A V THOMAS & COMPANY LIMITED, ALAPPUZHA

Report on the Consolidated Financial Statements

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'), comprising of the Consolidated Balance Sheet as at 31-March-2018, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company and of its associates 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Opinion

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 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 consolidated state of affairs of the Group as at 31-March-2018, and its Consolidated Profit and their cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - 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 relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d. in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors of the Holding Company as on 31-March-2018, and taken on record by the Board of Directors of the Holding Company and its associate companies incorporated in India none of the directors of the Group and its associate companies is disqualified as on 31-March-2018 from being appointed as a director in terms of Section 164 (2) of the Act.;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Group, its associates and the operating effectiveness of such controls, refer our separate report in Annexure A and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The company does not have any pending litigations which would impact its consolidated financial position
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and protection Fund by the company other than a sum of Rs.9,750/- relating to preference capital redeemed by the holding company during FY 1993-94 which has been transferred on 22/05/2018.

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

R.MAHESH
Partner
Membership No. 24775

Place: Chennai
Date : 12th July, 2018

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

ANNEXURE A 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”)

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31-March-2018 we have audited the internal financial controls over financial reporting of A V THOMAS & COMPANY LIMITED (hereinafter referred to as ‘The Holding Company’) and it’s associate companies which are incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the holding company and it’s associates which are incorporated in India, are 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 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 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”) issued by ICAI 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.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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.

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 Holding Company and its associate companies, 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 31-Mar-2018 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

R.MAHESH
Partner
Membership No. 24775

Place: Chennai
Date : 12th July, 2018

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	NOTE NO	Amount in ₹	
		31.03.2018	31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	47,02,000	47,02,000
(b) Reserves and Surplus	3	<u>188,59,66,742</u>	<u>175,03,40,815</u>
		<u>189,06,68,742</u>	<u>175,50,42,815</u>
(2) Non-Current Liabilities			
Long Term Provisions	4	2,07,18,296	2,03,52,831
(3) Current Liabilities			
(a) Short-term borrowings	5	Nil	Nil
(b) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises and		44,38,318	19,01,089
Total outstanding dues of creditors other than micro enterprises and small enterprises		48,59,15,075	22,37,72,621
(c) Other current liabilities		4,66,16,415	7,03,68,625
(d) Short-term provisions		<u>17,16,01,253</u>	<u>17,26,80,593</u>
		<u>70,85,71,061</u>	<u>46,87,22,928</u>
TOTAL		<u>261,99,58,099</u>	<u>224,41,18,574</u>
II. ASSETS			
(1) Non - Current Assets			
(a) Property, Plant & Equipment			
(i) Tangible assets	6	25,74,80,331	26,06,69,354
(ii) Capital work-in-progress	37	1,19,19,916	Nil
(b) Non-current investments	7	48,52,75,850	33,79,08,081
(c) Deferred Tax Asset	8	1,97,00,000	1,83,00,000
(2) Current Assets			
(a) Current Investments	9	19,37,12,286	16,19,70,949
(b) Inventories	10	90,27,45,012	69,76,38,968
(c) Trade receivables	11	38,51,38,117	33,83,53,084
(d) Cash and cash equivalents	12	9,15,06,611	22,79,73,735
(e) Short-term loans and advances	13	25,97,00,226	19,15,05,133
(f) Other current assets - Accrued Income		<u>1,27,79,750</u>	<u>97,99,270</u>
		<u>184,55,82,002</u>	<u>162,72,41,139</u>
Significant Accounting Policies	1		
TOTAL		<u>261,99,58,099</u>	<u>224,41,18,574</u>

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

Vide our Report of date attached

For and on behalf of the Board

For SURI & CO.

Chartered Accountants
Firm's Regn.No: 004283S
R. MAHESH
Partner

AJIT THOMAS
Executive Chairman

P. SHANKAR
Director

Place : Chennai, Membership No. 24775
Date : 12th July, 2018

R. VENUGOPALAN
Chief Financial Officer

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

PARTICULARS	NOTE NO	Amount in ₹	
		31.03.2018	31.03.2017
I. Revenue from operations (Net of Excise Duty)	14	776,91,14,738	657,29,19,196
II. Other Income	15	2,03,07,717	5,41,67,775
III. Total Revenue	(I + II)	<u>778,94,22,455</u>	<u>662,70,86,971</u>
IV. Expenses:			
Cost of Materials Consumed	16	370,17,78,100	317,69,34,169
Purchase of Stock-in-Trade		250,19,10,007	192,61,17,162
Changes in Inventories of Finished Goods & Stock in Trade	17	(9,40,143)	10,14,03,501
Employee Benefit Expense	18	30,93,49,468	26,32,90,318
Finance Costs	19	83,55,581	55,11,198
Depreciation and amortization expense		2,93,70,712	3,05,37,949
Selling Expenses	20	56,92,46,720	40,92,00,371
Manufacturing Expenses	21	12,04,39,750	12,27,62,410
Other Expenses	22	17,93,27,743	18,38,96,069
Total Expenses		<u>741,88,37,938</u>	<u>621,96,53,147</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		37,05,84,517	40,74,33,824
VI. Exceptional / Extra ordinary items		Nil	Nil
VII. Profit before tax	(V - VI)	<u>37,05,84,517</u>	<u>40,74,33,824</u>
VIII. Tax expense:			
Current tax		13,75,00,000	14,25,00,000
Deferred tax		(14,00,000)	(24,00,000)
IX. Profit/(Loss) for the period	(VII- VIII)	<u>23,44,84,517</u>	<u>26,73,33,824</u>
X. Share of Profit/(Loss) of Associates		(1,39,70,340)	(1,29,20,767)
		<u>22,05,14,177</u>	<u>25,44,13,057</u>
X. Earnings per equity share:			
(1) Basic	29	468.98	541.07
(2) Diluted	29	468.98	541.07

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

Vide our Report of date attached
For SURI & CO.

Chartered Accountants
Firm's Regn.No: 004283S
R. MAHESH
Partner

Membership No. 24775

For and on behalf of the Board

AJIT THOMAS
Executive Chairman

P. SHANKAR
Director

Place : Chennai,

Date : 12th July, 2018

R. VENUGOPALAN
Chief Financial Officer

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items:	37,05,84,517	40,74,33,824
Adjustments for:		
Depreciation	2,93,70,712	3,05,37,949
Profit on Sale of Assets / Investments	(22,13,591)	(3,52,95,070)
Interest / Dividend Received	(1,12,03,522)	(98,49,231)
Provision for Gratuity / Leave Encashment	9,79,798	47,20,121
Interest Paid	83,55,581	55,11,198
	<u>2,52,88,978</u>	<u>(43,75,033)</u>
Operating Profit before Working Capital Changes	39,58,73,495	40,30,58,791
Adjustments for:		
Trade Receivables	(4,67,85,033)	7,99,08,221
Inventories	(20,51,06,044)	13,02,86,876
Trade Payables	26,46,79,683	(14,23,46,676)
Other current liabilities	(2,38,95,436)	40,13,332
Other current assets	(7,55,17,264)	(5,79,36,605)
	<u>(8,66,24,094)</u>	<u>1,39,25,148</u>
Cash Generated from Operations	30,92,49,401	41,69,83,939
Direct Taxes Paid	(13,32,74,227)	(14,12,42,055)
Net Cash from Operating Activities	<u>17,59,75,174</u>	<u>27,57,41,884</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Sales of Fixed Assets	92,141	16,47,213
Purchase of Fixed Assets	(3,79,40,030)	(3,55,15,930)
Interest / Dividend Received	82,23,042	95,53,114
Purchase of Investments	(49,11,51,597)	(48,40,91,878)
Sale of Investments	30,00,32,026	40,03,47,787
Net Cash From Investing Activities	<u>(22,07,44,418)</u>	<u>(10,80,59,694)</u>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR
ENDED 31ST MARCH, 2018 (Contd.)**

C CASH FLOW FROM FINANCING ACTIVITIES	Amount in ₹	
	31.03.2018	31.03.2017
Interest Paid	(83,55,581)	(55,11,198)
Dividend Paid (Including tax on Dividend)	(8,47,45,025)	(4,34,11,625)
Net Cash From Financing Activities	(9,31,00,606)	(4,89,22,823)
Net Increase in Cash and Cash Equivalents	(13,78,69,850)	11,87,59,367
Cash and Cash Equivalents as at 01.04.2017	17,45,77,518	5,58,18,151
Cash and Cash Equivalents as at 31.03.2018	3,67,07,669	17,45,77,518
	(13,78,69,850)	11,87,59,367

Vide our Report of date attached
For SURI & CO.

Chartered Accountants
Firm's Regn.No: 004283S
R. MAHESH
Partner

Membership No. 24775

Place : Chennai,
Date : 12th July, 2018

For and on behalf of the Board

AJIT THOMAS
Executive Chairman

P. SHANKAR
Director

R. VENUGOPALAN
Chief Financial Officer

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

Note - 1:

NOTES ON CONSOLIDATED ACCOUNTS FOR YEAR ENDED 31ST MARCH 2018

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 CENVAT/VAT/GST credit is available), freight and other direct or allocated expenses during construction period, net of any income earned. Assets acquired on hire purchase are capitalised at principal value.

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

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

e. IMPAIRMENT OF ASSETS:

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

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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 CENVAT/VAT/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 sales taxes and value added taxes (VAT) 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 service tax 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.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

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, 2018

		Amount in ₹	
		31.03.2018	31.03.2017
NOTE - 2:			
SHARE CAPITAL			
a.	AUTHORISED 20,00,000 Equity Shares of ₹10/- each	2,00,00,000	2,00,00,000
b.	ISSUED, SUBSCRIBED AND PAID-UP 4,70,200 Equity Shares of ₹10/- each	47,02,000	47,02,000
c.	Reconciliation of shares outstanding at the beginning and at the end of the reporting year		
	Number of shares at the beginning of the year	4,70,200	4,70,200
	Add/(Less) shares issued / buyback etc.	Nil	Nil
	Number of shares at the end of the year	4,70,200	4,70,200
d.	Details of shareholders holding more than 5% of equity shares.		
		31.03.2018	31.03.2017
	Name of the shareholder	No of Shares Held	% of Holding
		No of Shares Held	% of Holding
	Mr.Ajit Thomas	2,08,566	44.36
	Mr.Dilip Thomas	1,53,274	32.60
e.	No Bonus shares / Buy back of shares in the immediately preceding 5 years		
f.	The Company has only one class of Shares which is Equity Shares. Each Holder of Equity Shares is entitled for one vote in proportion to the number of shares held		
g.	Shares reserved under option and contract/commitments for sale of shares/disinvestment - Nil (Nil)		
h.	The aggregate value of calls unpaid (including Directors and Officers of the Company) - Nil (Nil)		
NOTE - 3:			
RESERVES AND SURPLUS		₹	₹
GENERAL RESERVE:			
	As per last Balance Sheet	142,14,11,010	
	Add: Transfer from Statement of Profit and Loss	10,00,00,000	
		152,14,11,010	142,14,11,010
	Surplus/(deficit) in the statement of Profit and Loss		
	Balance as per last financial statements	32,89,29,805	16,69,60,873
	Profit for the year	22,05,14,177	25,44,13,057
		54,94,43,982	42,13,73,930
Less: Appropriations			
	Final Dividend on Equity Shares for FY 16-17 @ ₹75 per share	3,52,65,000	Nil
	Tax on Final Dividend for FY 16-17	71,79,125	Nil
	Interim Dividend on Equity shares @ ₹75 per share (Previous year ₹75)	3,52,65,000	3,52,65,000
	Tax on Interim Dividend	71,79,125	71,79,125
	Transfer to General Reserve	10,00,00,000	5,00,00,000
		18,48,88,250	9,24,44,125
	Net surplus in the Statement of Profit and Loss	36,45,55,732	32,89,29,805
	Total reserves and surplus	188,59,66,742	175,03,40,815

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 4:		
NON CURRENT LIABILITIES		
Long term Provisions		
Provision for Employee benefits (Refer Note : 34)		
Provision for Gratuity	2,84,632	2,64,358
Provision for Leave Encashment	2,04,33,664	2,00,88,473
	2,07,18,296	2,03,52,831
NOTE - 5:		
CURRENT LIABILITIES		
(a) Short term borrowings	Nil	Nil
The company's borrowing facilities comprising cash credit and other facilities of Rs.4860 Lakhs (Rs.4860 Lakhs) secured by hypothecation of inventories and book debts and equitable mortgage of land & building at Bodinaikanur		
No loans have been guaranteed by Directors or Others		
Period and amount of default as on 31-03-2018 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	44,38,318	19,01,089
Total outstanding dues of creditors other than micro enterprises and small enterprises	48,59,15,075	22,37,72,621
(c) Other Current Liabilities		
- Unclaimed Dividend	67,11,300	65,68,075
- Refund of Capital	9,750	9,750
- Other Current Liabilities	3,98,95,365	6,37,90,800
	4,66,16,415	7,03,68,625
(d) Short term Provisions		
Provision for Employee benefits (Refer Note: 34)		
Provision for Gratuity	65,52,003	63,57,993
Provision for Leave Encashment	72,61,887	68,41,564
Other provisions		
Provision for Taxation	15,77,87,363	15,94,81,036
	17,16,01,253	17,26,80,593

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

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

Description	GROSS BLOCK		DEPRECIATION			NET BLOCK				
	As at 1.4.2017	Additions	Deductions	As at 31.3.2018	Upto 31.3.2017	For the Year	Withdrawn	Upto 31.3.2018	As at 31.3.2018	As at 31.3.2017
Land *	11,05,11,365	Nil	Nil	11,05,11,365	Nil	Nil	Nil	Nil	11,05,11,365	11,05,11,365
Agricultural Land	1,63,06,667	Nil	Nil	1,63,06,667	Nil	Nil	Nil	Nil	1,63,06,667	1,63,06,667
Buildings *	9,52,04,032	Nil	Nil	9,52,04,032	5,22,37,669	40,35,946	Nil	5,62,73,615	3,89,30,417	4,29,66,365
Plant & Equipment	16,06,80,368	1,62,47,752	3,23,700	17,66,04,420	10,74,63,388	1,22,38,429	3,15,950	11,93,85,867	5,72,18,553	5,32,16,979
Furniture & Fixtures	1,78,36,945	42,05,288	Nil	2,20,42,233	1,60,24,149	5,58,019	Nil	1,65,82,168	54,60,065	18,12,793
Vehicles	8,23,70,283	55,67,074	6,29,661	8,73,07,696	4,65,15,098	1,22,93,399	5,54,065	5,82,54,432	2,90,53,264	3,58,55,185
TOTAL	48,29,09,660	2,60,20,114	9,53,361	50,79,76,413	22,22,40,304	2,91,25,793	8,70,015	25,04,96,082	25,74,80,331	26,06,69,354
<i>Previous Year</i>	45,29,26,967	3,55,15,929	55,33,238	48,29,09,658	19,59,01,764	3,02,80,138	39,41,598	22,22,40,304	26,06,69,354	22,58,84,892

* Includes ₹ 1,65,57,994 and ₹ 12,69,499 respectively representing cost of Land and Buildings in Joint Ownership with other Companies, the book value of which amounted to ₹ 1,65,57,994 and ₹ 3,17,339.

Note : The Company does not have any lease hold assets

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

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

Description	As at 1-4-2017		Additions		Deductions		As at 31-3-2018	
	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹	No. of Shares/Units	Amount ₹
I. Investment in Equity Instruments								
A. QUOTED								
Equity Shares - Fully Paid - up Fertilizers & Chemicals (Travancore) Ltd.	5	19					5	19
		<u>19</u>						<u>19</u>
B. UNQUOTED								
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	78,66,733					1,19,480	78,66,733
Add: Share of Profit of the Associate								<u>2,77,224</u>
		81,43,957						81,43,957
AVT Gavia Foods Pvt. Ltd (Associate Company) *	1,00,00,000	2,46,96,147	10,00,000	1,00,00,000			1,10,00,000	3,46,96,147
Less: Share of Loss of the Associate								<u>(1,42,47,564)</u>
		2,04,48,583						2,04,48,583
The Midland Rubber & Produce Co. Ltd	100	77,500	400	15,82,800			500	16,60,300
Madura Micro Finance Ltd	8,55,002	30,00,00,090	3,04,433	15,00,00,228			11,59,435	45,00,00,318
		<u>33,27,02,352</u>	16,15,83,028	<u>16,15,83,028</u>	Nil	Nil		<u>48,03,15,040</u>
		81,43,957						81,43,957
		3,46,96,147						3,46,96,147
		<u>(1,42,47,564)</u>						<u>(1,42,47,564)</u>
		2,04,48,583						2,04,48,583
		16,60,300						16,60,300
		<u>45,00,00,318</u>						<u>45,00,00,318</u>
		48,03,15,040						48,03,15,040
		<u>3,07,325</u>						<u>3,07,325</u>
		1,07,25,437						1,07,25,437
		<u>1,10,32,762</u>						<u>1,10,32,762</u>
		60,71,971						60,71,971
		<u>49,60,791</u>						<u>49,60,791</u>
		48,52,75,850						48,52,75,850
TOTAL		<u>33,79,08,081</u>		<u>16,15,83,028</u>				<u>48,52,75,850</u>
Aggregate amount of Quoted Investments (Market Value ₹ 255 P.Y. ₹ 206)		19						19
Aggregate amount of Unquoted Investments		33,27,02,352						33,27,02,352
Value of Investment Properties		1,10,32,762						1,10,32,762
Aggregate provision for depreciation in value of immovable properties		<u>(58,27,052)</u>						<u>(60,71,971)</u>
		<u>33,79,08,081</u>						<u>48,52,75,850</u>

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

II. Investment Properties

Value of Land

Value of Building (Including Fittings and Fixtures)

Less: Depreciation

TOTAL

Aggregate amount of Quoted Investments (Market Value ₹ 255 P.Y. ₹ 206)

Aggregate amount of Unquoted Investments

Value of Investment Properties

Aggregate provision for depreciation in value of immovable properties

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

NOTE - 8:

	31.03.2018	31.03.2017
	₹.	₹.
DEFERRED TAX ASSET (NET)		
(Refer Note : 37)		
Deferred Tax Assets	1,97,00,000	1,83,00,000
Deferred Tax Asset	<u>1,97,00,000</u>	<u>1,83,00,000</u>

NOTE - 9:

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

Description	As at 1-4-2017			Additions			Deductions			As at 31-3-2018
	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 ₹.
QUOTED										
IN MUTUAL FUNDS :										
ICICI Short term Plan - Regular Growth	17,80,194	4,25,75,471	Nil	Nil	17,80,194	4,25,75,471	Nil	Nil	17,80,194	4,25,75,471
RELIANCE Arbitrage Advantage Fund (Monthly Dividend)	Nil	Nil	1,16,46,951	12,39,53,767	1,16,46,951	12,39,53,766	Nil	Nil	1,16,46,951	12,39,53,766
IDFC Arbitrage Fund - Dividend (Regular Plan)	27,15,405	3,38,28,536	67,286	8,50,245	27,82,691	3,46,78,780	Nil	Nil	27,82,691	3,46,78,780
ICICI Equity Arbitrage Fund - Reg. Div	31,14,716	4,28,57,749	38,85,810	5,35,58,672	51,46,218	7,08,66,194	18,54,308	2,55,50,226	18,54,308	2,55,50,226
IDFC Ultra Short Term Fund	Nil	Nil	64,83,036	15,00,00,000	64,12,558	14,83,67,177	70,477	16,32,823	70,477	16,32,823
Kotak Equity Arbitrage Fund - Monthly Dividend	39,79,440	4,27,09,193	1,12,383	12,05,886	40,91,823	4,39,15,079	Nil	Nil	40,91,823	4,39,15,079
	<u>1,15,89,755</u>	<u>16,19,70,949</u>	<u>2,21,95,465</u>	<u>32,95,68,569</u>	<u>1,84,33,290</u>	<u>29,78,27,230</u>	<u>1,53,51,930</u>	<u>19,37,12,286</u>	<u>1,53,51,930</u>	<u>19,37,12,286</u>

Aggregate amount of Quoted

Investments (Market Value ₹ 21,47,19,284 P.Y. ₹ 18,06,65,819) 16,19,70,949

19,37,12,286

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 10 :		
INVENTORIES: (Valued at lower of cost and net realisable value)		
Raw Materials	50,14,43,812	35,15,71,926
Stores and Spares	6,15,23,811	4,65,54,750
Finished Goods		
- Packed Tea	7,65,45,961	7,37,20,405
- Packed Coffee	36,41,431	28,23,093
- Premix	1,57,66,922	Nil
Stock in Trade		
- Roofing Sheets & Others	20,44,98,121	22,29,68,794
Goods in Transit	3,93,24,954	Nil
	<u>90,27,45,012</u>	<u>69,76,38,968</u>
 NOTE - 11:		
TRADE RECEIVABLES		
(A) Trade receivables outstanding for more than six months from the date they become due for payment		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	2,36,51,354	1,78,29,575
(iii) Doubtful	9,59,316	9,59,316
	<u>2,46,10,670</u>	<u>1,87,88,891</u>
Less : Allowances for Bad and Doubtful Debt	9,59,316	9,59,316
	<u>2,36,51,354</u>	<u>1,78,29,575</u>
 (B) Trade receivables (others)		
(i) Secured, Considered good	Nil	Nil
(ii) Unsecured, considered good	36,14,86,763	32,05,23,509
(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>36,14,86,763</u>	<u>32,05,23,509</u>
Total	<u>38,51,38,117</u>	<u>33,83,53,084</u>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 12:		
CASH & CASH EQUIVALENTS		
Cash and Stamps on hand	4,74,040	3,61,219
Balance with banks		
- In Current Account	3,50,16,264	9,31,66,299
- In Deposit Account	12,17,365	8,10,50,000
	<u>3,67,07,669</u>	<u>17,45,77,518</u>
- In Dividend / Refund of Capital Account	67,21,050	65,77,825
- In Margin Money Deposit for Issue of Letters of Credit and Guarantee	4,80,77,892	4,68,18,392
	<u>5,47,98,942</u>	<u>5,33,96,217</u>
Total	<u>9,15,06,611</u>	<u>22,79,73,735</u>
Bank deposit with more than 12 months maturity	10,35,000	4,50,96,000

NOTE - 13:

SHORT TERM LOANS & ADVANCES:

Considered good - Unsecured		
Advances recoverable in cash or in kind or for value to be received (Refer Note: 32)	10,76,13,350	3,41,70,421
Tax payments pending adjustment	13,64,55,556	14,23,75,002
Deposits	1,52,50,621	1,44,11,327
Balance with Customs, Port Trust etc.,	3,80,699	5,48,383
	<u>25,97,00,226</u>	<u>19,15,05,133</u>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 14:		
REVENUE FROM OPERATIONS		
SALE OF PRODUCTS		
- Tea, Coffee & Premix	482,09,95,555	418,10,00,474
- Traded Goods	270,60,75,551	213,83,50,940
- Roofing Materials	26,97,31,568	
Less : Excise Duty	90,57,487	25,80,70,465
	778,77,45,187	657,74,21,879
Less : Trade Discount	11,89,67,826	10,99,53,315
	766,87,77,361	646,74,68,564
SALE OF SERVICES - Logistics	6,97,14,601	7,55,23,245
OTHER OPERATING REVENUE		
Export Incentives	3,06,22,776	2,99,27,387
	776,91,14,738	657,29,19,196
 NOTE - 15:		
OTHER INCOME :		
Interest	33,82,016	8,32,443
Income from Investments - Long term	10,52,937	2,500
Income from Investments - Short term	67,68,569	90,14,288
Rent	1,59,000	1,11,000
Service Income	60,000	60,000
Profit on Sale of Current Investments	22,04,796	3,52,39,498
Profit on Sale of Tangible Assets	8,795	55,572
Insurance Claims	2,89,809	30,50,382
Exchange Fluctuation Gain	19,05,016	20,42,209
Miscellaneous Income	44,76,779	37,59,883
	2,03,07,717	5,41,67,775

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 16:		
COST OF MATERIALS CONSUMED:		
Garden Tea	313,12,72,803	266,59,88,159
Coffee	6,46,65,539	6,11,49,800
Chicory	1,64,22,930	1,35,85,499
Roofing Materials	23,96,63,927	22,89,63,877
Premix	1,57,66,922	Nil
Packing & Other Materials	23,39,85,979	20,72,46,834
	370,17,78,100	317,69,34,169
 NOTE - 17:		
CHANGES IN INVENTORIES		
INCREASE(-) / DECREASE (+) IN STOCK		
Opening Stock		
Packed Tea	7,37,20,405	9,74,91,450
Packed Coffee	28,23,093	46,96,431
Traded Goods	22,29,68,794	29,87,27,912
	29,95,12,292	40,09,15,793
Closing Stock		
Packed Tea	7,65,45,961	7,37,20,405
Packed Coffee	36,41,431	28,23,093
Traded Goods	22,02,65,043	22,29,68,794
	30,04,52,435	29,95,12,292
	(9,40,143)	10,14,03,501
 NOTE - 18:		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	26,46,43,847	21,86,20,151
Contribution to Provident and Other Funds	3,16,36,436	2,80,28,125
Provision for Gratuity (Refer Note : 34)	2,14,284	14,84,784
Provision for Leave Encashment (Refer Note : 34)	7,65,514	32,35,337
Welfare	1,20,89,387	1,19,21,921
	30,93,49,468	26,32,90,318
 NOTE - 19:		
FINANCE COST		
Interest expense	83,55,581	55,11,198
	83,55,581	55,11,198

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
NOTE - 20: SALES EXPENSES:		
Sales Tax	2,46,251	8,65,688
Freight & Transport	16,81,57,884	12,98,11,035
Insurance	25,47,654	22,52,001
Commission	2,63,20,813	1,42,58,599
Advertisement	11,15,32,774	8,34,54,786
Consumer Offer	7,57,18,900	4,57,03,571
Discounts to Consumers	10,11,35,850	6,81,50,389
Dealer incentives	6,30,26,103	5,09,53,783
Business Promotion	2,05,60,491	1,37,50,519
	56,92,46,720	40,92,00,371
 NOTE - 21: MANUFACTURING EXPENSES		
Packing charges	7,69,06,055	8,30,09,051
Power and Fuel	48,32,465	41,79,395
Rent	2,44,85,332	2,55,91,938
Repairs and Maintenance		
- Buildings	56,01,842	41,94,974
- Machinery	86,14,056	57,87,052
	12,04,39,750	12,27,62,410
 NOTE - 22: OTHER EXPENSES		
Power and Fuel	33,81,485	36,03,003
Rent	1,57,89,958	1,79,87,591
Rates and Taxes	60,79,015	88,32,601
Insurance	37,09,999	38,93,933
Travelling Expenses	4,50,34,391	3,50,39,247
Repairs and Maintenance		
- Buildings	73,84,297	80,66,806
- Machinery	58,46,306	69,20,101
- Vehicles	1,51,14,359	1,52,26,440
- Others	6,85,035	15,31,007
Directors' Sitting Fees	9,90,000	2,60,000
Payment to Statutory Auditors		
- As Auditors	20,00,000	15,00,000
- For Tax Audit /Certification	8,86,326	10,15,000
- For Reimbursement of expenses	1,15,000	1,87,500
- For Service tax	Nil	4,05,378
CSR Expenditure (Refer Note: 33)	84,58,000	80,00,000
Provision for Bad and Doubtful Debts	Nil	9,59,316
Professional and Legal Fees	1,80,57,650	2,01,00,328
Miscellaneous Expenses	4,57,95,922	5,03,67,818
	17,93,27,743	18,38,96,069

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

	31.03.2018		31.03.2017	
NOTE - 23:				
PARTICULARS OF MATERIALS CONSUMPTION				
Materials Consumed	Qty	Value	Qty	Value
Garden Tea	%	₹	%	₹
Indigenous	100	313,12,72,803	100	266,59,88,159
		313,12,72,803		266,59,88,159
Roofing Materials				
Indigenous	100	23,96,63,927	100	22,89,63,877
Raw Coffee and Chicory				
Indigenous	100	8,10,88,469	100	7,47,35,299
Premix				
Indigenous	100	1,57,66,922	100	Nil
Packing and Other Materials				
Indigenous	99.89	23,37,33,571	99.15	20,54,91,203
Imported	0.11	2,52,408	0.85	17,55,631
		23,39,85,979		20,72,46,834
			Amount in ₹	
			31.03.2018	31.03.2017
24 Earnings in Foreign Exchange				
F.O.B. Value of Exports			67,71,10,850	45,68,46,049
25 Expenditure in Foreign Currency				
Travelling			47,39,194	42,81,540
Commission			2,60,10,073	1,31,09,135
Advertisement & Sales Promotion			19,96,703	27,33,458
26 CIF Value of Imports				
Capital Goods			28,10,032	45,21,290
Stock in Trade			1,04,75,933	63,27,169
Packing Materials			2,52,408	17,55,631
Stores and Spares			Nil	62,709

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

		Amount in ₹	
		31.03.2018	31.03.2017
27	Sundry Debtors include		
	Debts due by Private Limited Companies in which Director/s are interested as Director/s.		
	AVT McCormick Ingredients Private Limited	33,64,541	24,71,809
	A V Thomas Leather & Allied Products Private Limited	26,01,347	46,96,557
	AVT Gavia Foods Private Limited	2,35,919	4,91,050
	Alina Private Limited	55,75,776	35,57,100
	AVT Holdings Private Limited	14,160	Nil
	Aspera Logistics Pvt. Ltd.	14,160	Nil
	Midland Corporate Advisory Service Ltd.	14,160	Nil
	Provision Value Gard Pvt. Ltd.	14,160	Nil
28	Total outstanding to Micro & Small Enterprises (SMEs)		
	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 2018 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	44 38 318	19 01 089
	(ii) Principal due to Medium Enterprise	6 28 018	Nil
	(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
29	Earnings Per Share		
	Profit after Taxation	22,05,14,177	25,44,13,057
	Number of Equity Shares outstanding at the end of the year	4,70,200	4,70,200
	Earnings per share (Basic and Diluted)	468.98	541.07

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount in ₹	
	31.03.2018	31.03.2017
30 Contingent Liabilities and Commitments		
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	18,19,466	Nil

31 DIVIDEND

The Board of Directors in its meeting on 12th July, 2018 have proposed a final dividend of Rs.75 Per Equity Share for financial year ended 31st March, 2018. The proposal is subject to the approval of Shareholders at the Annual General Meeting to be held on 30th August, 2018 and if approved, would result in a cash out flow of approximately Rs.4.25 Crores including corporate dividend tax.

32 EXIT OFFER TO THE SHAREHOLDERS OF THE COMPANY

The Board of Directors of the Company along with its Promoters, decided in its meeting held on 10th February, 2017 to provide Exit Offer to the existing public shareholders. This is as per SEBI Circular No.SEBI/HO/MRD/DSA/CIR/P/2016/110, dated 10th October, 2016.

In this regard one of the Promoters of the Company, namely, The Midland Rubber & Produce Co. Ltd., has given a Bank Guarantee to National Stock Exchange of India Limited, as per the Terms of the Exit Offer for Rs.54,80,64,720. The Board of Directors of the Company have decided to extend the Exit Offer period to the Shareholders till 14th of October 2018 which was approved by circular resolution on 27th June 2018.

PARTICIPATION AS A PROMOTER - IN EXIT OFFER

The Board of Directors of the company in its meeting held on 10th February, 2017, has decided to participate in the Exit Offer of one of the Group Company namely, The Midland Rubber & Produce Co.Ltd. The cost incurred till 31st March 2018 amounting to Rs.57,05,762 (Rs.37,75,547) towards the same shown under the head Loans and Advances will be capitalised alongwith the cost of shares. The company has given a Bank Gaurantee of Rs.44,09,50,274/- to the National Stock Exchange Limited, for which the company has made a Margin Money Deposit of Rs.4,40,96,000/-.

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 ₹ 84,76,525

(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	26,00,000	Nil	26,00,000
(b) Rehabilitation Programs	16,00,000	Nil	16,00,000
(c) Health Care	25,08,000	Nil	25,08,000
(d) Sports Promotion	5,00,000	Nil	5,00,000
(e) Education & employment	12,50,000	Nil	12,50,000
Total	84,58,000		84,58,000

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

34 Employee Benefits:

l) Defined Benefit Plans:

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

i) Gratuity Scheme:

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

ii) Leave Encashment:

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

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

	31.3.2018		31.3.2017	
	Gratuity (Funded Plan) ₹	Leave Encashment (Non Funded Plan) ₹	Gratuity (Funded Plan) ₹	Leave Encashment (Non Funded Plan) ₹
Present Value of the Obligation at beginning of period	5,28,82,278	2,69,30,037	4,55,01,510	2,36,94,700
Current Service Cost	43,63,701	50,53,280	36,03,134	55,23,520
Interest Cost	35,02,036	16,70,070	35,82,502	17,34,877
Benefits Paid	(33,65,847)	(50,27,614)	(14,40,468)	(40,17,486)
Actuarial loss / (gain)	(2,83,985)	(9,30,222)	16,35,600	(5,574)
Present Value of the Obligation as at end of the period	<u>5,70,98,183</u>	<u>2,76,95,551</u>	<u>5,28,82,278</u>	<u>2,69,30,037</u>

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

Fair Value of Plan Assets at beginning of period	4,65,24,285	Nil	4,06,13,531	Nil
Expected return on plan assets	38,17,600	Nil	35,00,200	Nil
Contribution by the Company	40,00,000	50,27,614	40,50,000	40,17,486
Benefits Paid	(33,65,847)	(50,27,614)	(14,40,468)	(40,17,486)
Actuarial gain / (loss)	(4,29,858)	Nil	(1,98,978)	Nil
Fair Value of Plan Assets at end of period	<u>5,05,46,180</u>	<u>Nil</u>	<u>4,65,24,285</u>	<u>Nil</u>

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

Current Service Cost	43,63,701	50,53,280	36,03,134	55,23,520
Interest Cost	35,02,036	16,70,070	35,82,502	17,34,877
Expected return on plan assets	(38,17,600)	N.A	(35,00,200)	N.A
Net Actuarial (gain) / loss recognised in the year	1,45,873	(9,30,222)	18,34,578	(5,574)
	<u>41,94,010</u>	<u>57,93,128</u>	<u>55,20,014</u>	<u>72,52,823</u>

e) Reconciliation of Net Liability recognised in the Balance Sheet

Net Liability as at the beginning of the year	63,57,993	2,69,30,037	48,87,979	2,36,94,700
Add : Expense as (d) above	41,94,010	57,93,128	55,20,014	72,52,823
Less: Employers Contribution / Payment	(40,00,000)	(50,27,614)	(40,50,000)	(40,17,486)
Net Liability as at the end of the year	<u>65,52,003</u>	<u>2,76,95,551</u>	<u>63,57,993</u>	<u>2,69,30,037</u>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

34 Employee Benefits: (Contd.)	31.3.2018		31.3.2017	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
	₹	₹	₹	₹
f) Constitution of Plan Assets:				
Investments in LIC Group Gratuity Scheme	5,05,46,180	Not Applicable	4,65,24,285	Not Applicable
g) Principal actuarial assumptions used as at the Balance Sheet date:				
Discount Rate	7.30%	7.30%	6.84%	6.84%
Salary Escalation Rate	6.50%	6.50%	7.00%	7.00%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	7.65%	NA	8.15%	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:

	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
	₹	₹	₹	₹	₹
Gratuity - Funded Plan					
Defined benefit obligation	5,70,98,183	5,28,82,278	4,55,01,510	4,12,46,587	4,17,21,089
Plan Assets	5,05,46,180	4,65,24,285	4,06,13,531	3,69,10,416	3,96,05,588
Surplus/(Deficit)	(65,52,003)	(63,57,993)	(48,87,979)	(43,36,171)	(21,15,501)
Experience adjustment - Plan Liabilities	(2,83,985)	16,35,600	14,28,043	38,37,338	2,21,297
Experience adjustment - Plan Assets	(4,29,858)	(1,98,978)	(2,22,430)	(3,94,410)	(2,06,005)

The Company expects to fund ₹ 45 Lakhs towards its gratuity plan during the year 2018/19.

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 ₹ 2,62,96,513 as expense towards contributions to these plans.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

35 Segment Information:

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

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

(i) Primary Segment Information

Amount in ₹

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

Particulars	Packet Tea & Coffee	Trade & Others	Services	Unallocable	Total
Segment Revenue					
External Revenue	471,23,39,263	298,70,60,874	697,14,601		776,91,14,738
	<i>407,94,83,199</i>	<i>241,99,54,960</i>	<i>755,23,245</i>		<i>657,49,61,405</i>
Inter-Segment Revenue					-
Total Revenue	471,23,39,263	298,70,60,874	6,97,14,601	-	776,91,14,739
Segment Result	33,72,92,726	4,10,06,746	2,40,57,805		40,23,57,276
	<i>33,47,29,719</i>	<i>4,88,97,261</i>	<i>2,25,62,977</i>		<i>40,61,89,957</i>
Less: Unallocated Corporate Expenses over Income				(2,34,17,179)	(2,34,17,179)
				<i>67,55,063</i>	<i>67,55,063</i>
Segment Result before Exceptional and non recurring items, interest and taxes	33,72,92,726	4,10,06,746	2,40,57,805	(2,34,17,179)	37,89,40,098
	<i>33,47,29,719</i>	<i>4,88,97,261</i>	<i>2,25,62,977</i>	<i>67,55,063</i>	<i>41,29,45,020</i>
Less: Finance Costs				(83,55,581)	(83,55,581)
				<i>(55,11,198)</i>	<i>(55,11,198)</i>
Segment Result before Exceptional and non recurring items, taxes	33,72,92,726	4,10,06,746	2,40,57,805	(3,17,72,760)	37,05,84,517
	<i>33,47,29,719</i>	<i>4,88,97,261</i>	<i>2,25,62,977</i>	<i>12,43,865</i>	<i>40,74,33,822</i>
Less: Provision for Taxation				(13,75,00,000)	(13,75,00,000)
				<i>(14,25,00,000)</i>	<i>(14,25,00,000)</i>
Add: Deferred Tax				14,00,000	14,00,000
				<i>(24,00,000)</i>	<i>(24,00,000)</i>
Segment Result after Tax	33,72,92,726	4,10,06,746	2,40,57,805	(16,78,72,760)	23,44,84,517
	<i>33,47,29,719</i>	<i>4,88,97,261</i>	<i>2,25,62,977</i>	<i>(13,88,56,133)</i>	<i>26,73,33,824</i>

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

(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
Other Information					
Capital Employed	12,59,70,808	40,20,27,945	7,83,48,915	(60,63,47,668)	-
<i>(Segment Assets - Segment Liabilities)</i>	<i>28,93,48,440</i>	<i>34,84,84,066</i>	<i>7,88,41,714</i>	<i>(71,66,74,220)</i>	-
Capital Expenditure	1,51,69,325	91,77,277		16,73,512	2,60,20,114
	<i>1,57,29,431</i>	<i>1,64,50,370</i>		<i>34,65,478</i>	<i>3,56,45,279</i>
Depreciation	6,85,628	1,72,83,913	26,13,756	85,42,496	2,91,25,793
	<i>5,36,088</i>	<i>1,63,06,220</i>	<i>20,50,148</i>	<i>1,13,87,682</i>	<i>3,02,80,138</i>

(c) The reportable Segments are further described below :

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

The Trade segment includes trading of Cardamom, Premix of tea and coffee, Vending Machines, Dairy products, Manufacture of Roofing Materials and Aluminium & related Accessories.

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

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

	Amount in ₹	
	31.03.2018	31.03.2017
36 Deferred Tax Asset		
Tax Impact of difference between carrying amount of Fixed Assets in the Financial Statements and the income tax returns	73,00,000	64,00,000
Tax impact of expenses charged in the financial statements but allowable as deduction in future years under Income Tax	1,24,00,000	1,19,00,000
Deferred Tax Asset	1,97,00,000	1,83,00,000

37 Capital Work in Progress:

Capital work in progress includes Rs. 1,05,75,100 being advance paid for acquisition of lease hold land for the upcoming GI Pipe Project at Perundurai Tamilnadu.

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

38 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.
- 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.
- 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 .

A.V. THOMAS AND COMPANY LIMITED, ALAPPUZHA

NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

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

Mr.Dilip Thomas, Executive Vice - Chairman

Amount in ₹

Details of Transactions:	31.03.2018		31.03.2017	
	Associate Companies/Trust	Key Management Personnel (Including Relatives)	Associate Companies/Trust	Key Management Personnel (Including Relatives)
INCOME:				
Sales	25,27,718	Nil	10,68,845	Nil
C&F and Warehousing Charges	4,98,24,968	Nil	4,57,07,104	Nil
Rent	1,35,000	Nil	87,000	Nil
Service Charges	60,000	Nil	60,000	Nil
Dividend Received	10,52,938	Nil	2,500	Nil
EXPENDITURE:				
Purchases	73,72,95,761	Nil	71,20,31,510	Nil
Rent	16,41,504	Nil	16,10,004	Nil
Reprocessing Charges	Nil	Nil	1,99,352	Nil
Remuneration	Nil	1,95,70,600	Nil	1,85,73,400
Sitting Fees	Nil	Nil	Nil	20,000
Purchase of Fixed Assets	15,90,750	Nil	Nil	Nil
Professional Fee	4,00,000	Nil	Nil	Nil
Donation Paid	1,10,00,000	Nil	1,00,00,000	Nil
Dividend Paid	28,59,075	5,20,26,000	4,12,500	2,60,35,500
OTHERS				
Investments in Shares	16,15,83,028	Nil	30,50,77,590	Nil
Balance as on 31st March 2018				
Debit Balance	1,87,66,117	Nil	1,76,77,872	Nil
Credit Balance	5,07,75,630	Nil	2,29,40,530	Nil

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

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

Vide our Report of date attached
For SURI & CO.

Chartered Accountants
Firm's Regn.No: 004283S
R. MAHESH
Partner

Membership No. 24775

For and on behalf of the Board

AJIT THOMAS
Executive Chairman

P. SHANKAR
Director

Place : Chennai,
Date : 12th July, 2018

R. VENUGOPALAN
Chief Financial Officer

A.V. THOMAS AND COMPANY LIMITED

Registered Office: W-21/674, BEACH ROAD, ALAPPUZHA-688012

CIN: U51109KL1935PLC000024

Email id: avt.alapuzha@gmail.com Website: www.avthomas.com

Form No.MGT-11

PROXYFORM

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

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

Name of the member (s) :
Registered address :

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

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

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

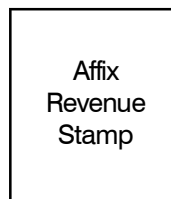
- 1. Name :
Address :
E-mail Id :
Signature : or failing him
- 2. Name :
Address :
E-mail Id :
Signature : or failing him
- 3. Name :
Address :
E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 83rd Annual general meeting of the Company, to be held on Thursday, the 30th day of August, 2018 at 11.00 A.M at its Registered Office at W-21/674, Beach Road, Alappuzha-688 012 and at any adjournment thereof in respect of such resolutions as are indicated overleaf :

Signed this..... day of 2018

Signature of shareholder

Signature of Proxy holder(s)



Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Resolution Number	Resolution
Ordinary Business	
1.	Adoption of Financial Statements (including the Consolidated Financial Statements) for the year ended March 31, 2018
2.	a) Confirmation of Interim Dividend for the Financial year 2017-18 b) Declaration of Final Dividend for the Financial year 2017-18
3.	Appointment of Director in place of Mr. Ajit Thomas, who retires by rotation and is eligible for reappointment.
Special Business	
4.	Ratification of Remuneration to M/s. Rajendran, Mani & Varier, Cost Auditors