



Sustaining
Growth
in challenging times



Aiding Sustainability & Reliability to Aquaculture

28th ANNUAL REPORT 2020-21



Contents

Company Overview | 1-33

Chairman's Message

Giving back to Society



Statutory Reports | 34-94

Corporate Information

Board's Report

Management's Discussion and Analysis

Business Responsibility Report

Report on Corporate Governance

Financial Statements | 95-213

Standalone Financial Statements

Consolidated Financial Statements

Notice | 214-238



A portrait of Sri Alluri Venkateshwara Rao, a man with glasses and a light-colored shirt, positioned in the upper right quadrant of the image. The background features a large, stylized sunburst or fan-like graphic composed of many thin, curved lines radiating from the top right.

Sri Alluri Venkateshwara Rao

(1933-2002)

Founder-Chairman, Avanti Group

You are always with us,
reminding us of these great values
you had stood for...

...Vision

...Truth

...Hard work

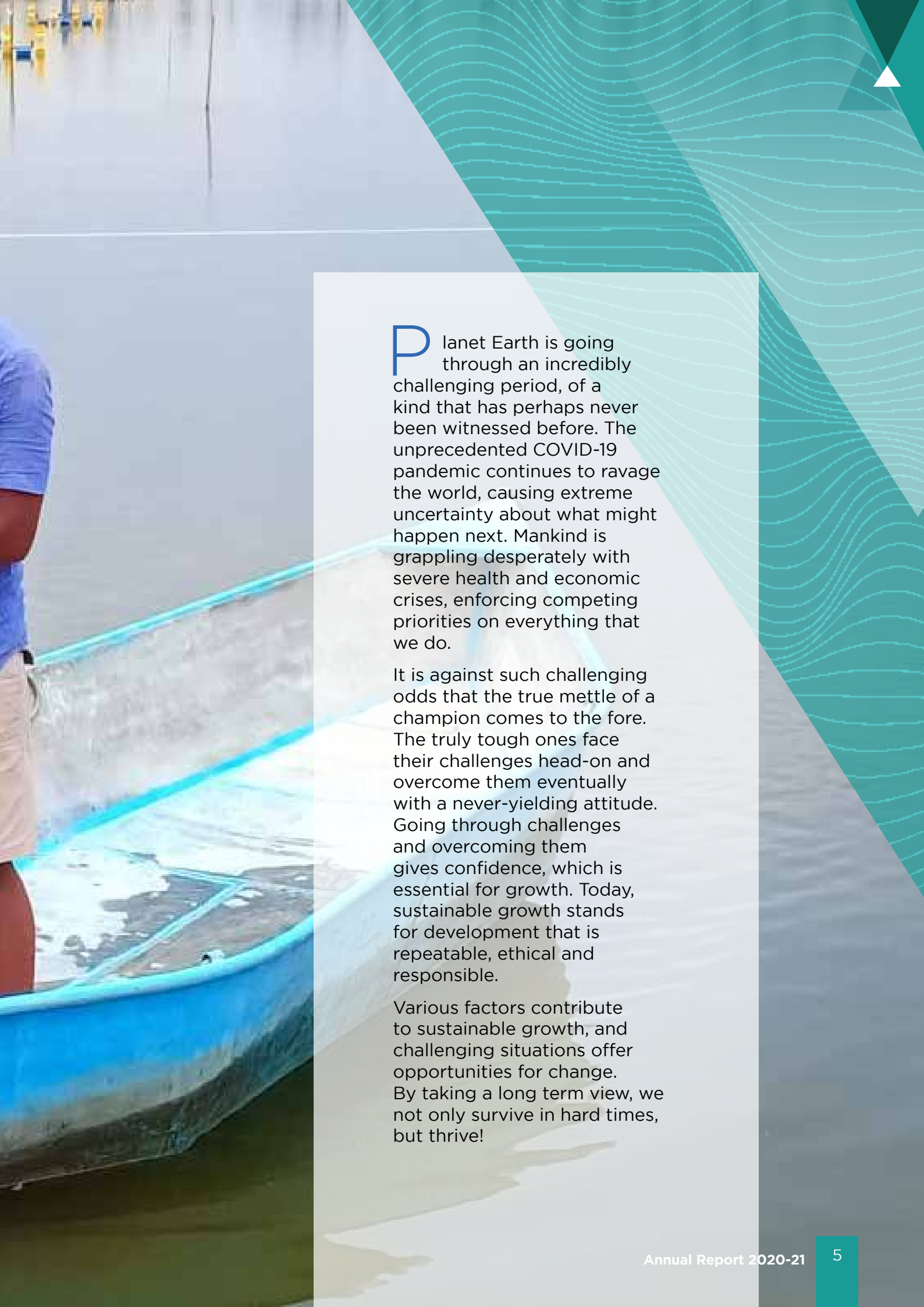
...Prosperity of all stakeholders

We at Avanti are committed to
walking in your footsteps in
innovation, development and
customer relationships.



Sustaining Growth in challenging times





Planet Earth is going through an incredibly challenging period, of a kind that has perhaps never been witnessed before. The unprecedented COVID-19 pandemic continues to ravage the world, causing extreme uncertainty about what might happen next. Mankind is grappling desperately with severe health and economic crises, enforcing competing priorities on everything that we do.

It is against such challenging odds that the true mettle of a champion comes to the fore. The truly tough ones face their challenges head-on and overcome them eventually with a never-yielding attitude. Going through challenges and overcoming them gives confidence, which is essential for growth. Today, sustainable growth stands for development that is repeatable, ethical and responsible.

Various factors contribute to sustainable growth, and challenging situations offer opportunities for change. By taking a long term view, we not only survive in hard times, but thrive!



Challenging Times bring out the **Fighting Spirit** in Avanti

Avanti's performance during the year bears testimony to its gritty fighting spirit. It fought its way with a practical step-by-step implementation of policies / measures to ensure the safety of its employees & stakeholders and emerged triumphant from the ordeal.

Investing in the welfare of employees and stakeholders, Avanti ensured the smooth operation of the business segments throughout the lockdown period during the pandemic.

Shrimp Feed sales
4,74,449 MT
(484669 MT 2019-20)

Processed Shrimp sales
11,518 MT
(13,397 MT 2019-20)

Market Capitalisation of
over **₹5,651.47** crores

Consolidated Profit Before
Depreciation, Interest and Tax
(PBDIT)
₹55,227.60 Lakhs
(52,455.49 lakhs)

Consolidated Profit
After Tax (PAT)
₹39,737.11 Lakhs
(38,628.59 lakhs)

Listed and Traded on

- Bombay Stock Exchange Limited (BSE)
- National Stock Exchange of India Limited (NSE)

Over the years, we have created multiple growth drivers by our nimble-footed response to industry needs, based on a firm sustainable growth strategy.



Chairman's Message





Dear Shareholders,

FY 2020-21 challenged all of us. We were tested by the pandemic in many unexpected ways – the resilience of our business, the agility of our operations, and the depth of our financial strength. But, thanks to the relentless commitment and dedication of every member of the Avanti family, we could overcome these challenges and significantly ameliorate the pandemic's impact.

With a proven track record of over 28 years, your Company has established itself as a pioneer in the Indian shrimp industry. It has sustained its leadership position, powered by its unwavering focus on a portfolio of world-class products, deep insights into consumer behaviour, continuous innovation, and superior product development capabilities. Over the years, it has created multiple growth drivers by its nimble-footed response to industry needs, based on a firm sustainable growth strategy. During the year under review your Company has commenced commercial production in its state-of-the-art Hatchery and has evolved as an integrated aquaculture Company. We shall further fortify our leadership position across existing businesses by concentrating on innovation and enriching our product mix.

COVID-19 forced a countrywide lockdown in late March 2020, causing aqua farmers to harvest their shrimp in panic. Due to fears of cancellation / postponement of purchase orders, factory shutdowns and an exodus of migrant workers, shrimp processing plants had a hard time receiving the harvested shrimp. Shrimp prices fell steeply as a result. Specific Pathogen-Free (SPF) broodstock wasn't available throughout April, as international flights were also cancelled. Despite a subsequent improvement in the situation, India's shrimp production took a hit in FY 21, and declined by 20% (to 6.2 Lakh MT).

India's aquaculture industry is set to recover well in FY 2021-22. An increase in demand is

expected to lead to revenue growth. Shrimp exports began to look up in the second half of last year, after a rough patch in the beginning. Despite increasing competition from Vietnam, Thailand and Ecuador, our exports should rise in the near term. China and the USA have resumed buying substantial quantities of shrimp from India. The unexpected severity of COVID's 'second wave' has led to large-scale countrywide lockdowns, posing a serious challenge to the production of shrimps. However, we are seeing encouraging signs of the curve flattening gradually, helped along by a fresh momentum in the vaccination drive. From now on, we do expect to see a steady growth in India's aquaculture industry.

We have effectively countered every business challenge that came our way in the previous fiscal and emerged stronger from it. This success is due in large measure to the unstinted patronage of our aqua-farmers and the admirable commitment of all our employees across the board.

I also gratefully acknowledge the unremitting support we have received from our large family of customers, dealers, suppliers, financial institutions and strategic partners during our challenging journey. We shall work to strengthen these bonds even further over the coming years.

I am also sincerely thankful to my fellow Directors for their commitment and professionalism in paving Avanti's long-term growth path. Aided by their skill and dedication, your Company has boldly weathered all the turbulences that were encountered during the year, with its usual resilience and professional approach.

My best wishes to you all.

Alluri Indra Kumar
Chairman and Managing Director



A **Strong** player
in the **market**

