

AVALON HOLDINGS CORP
Form SC 13D/A
December 08, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment (29))*

AVALON HOLDINGS CORPORATION

(Name of Issuer)

Class A Common Stock, \$0.01 par value

(Title of Class of Securities)

0534P109

(CUSIP Number)

Anil Choudary Nalluri

5500 Market Street, Suite 128

Youngstown, Ohio 44512

330-783-1147

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

December 8, 2017

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1746 (3-06)

CUSIP No. 05343P109

13D

1. Names of Reporting Persons.

I.R.S. Identification Nos. of above persons (entities only).

Anil Choudary Nalluri

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

PF

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

United States

Number of **7. Sole Voting Power**

Shares

Beneficially 719,234

8. Shared Voting Power

Owned by

Each

0

Reporting **9. Sole Dispositive Power**

Person

With 719,234

10. Shared Dispositive Power

0

11. Aggregate Amount Beneficially Owned by Each Reporting Person

719,234

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

22.53%

14. Type of Reporting Person (See Instructions)

IN

- (1) Classify the source of funds or other consideration used or to be used in making purchases as required to be disclosed pursuant to Item 3 of Schedule 13D and insert the appropriate symbol (or symbols if more than one is necessary) in row (4):

| <i>Category of Source</i> | <i>Symbol</i> |
|---|---------------|
| Subject Company (Company whose securities are being acquired) | SC |
| Bank | BK |
| Affiliate (of reporting person) | AF |
| Working Capital (of reporting person) | WC |
| Personal Funds (of reporting person) | PF |
| Other | OO |

- (2) If disclosure of legal proceedings or actions is required pursuant to either Items 2(d) or 2(e) of Schedule 13D, row 5 should be checked.

- (3) *Citizenship or Place of Organization* - Furnish citizenship if the named reporting person is a natural person. Otherwise, furnish place of organization. (See Item 2 of Schedule 13D.)

(7)-(11), (13) *Aggregate Amount Beneficially Owned by Each Reporting Person, etc.* Rows (7) through (11) inclusive, and (13) are to be completed in accordance with the provisions of Item 5 of Schedule 13D. All percentages are to be rounded off to nearest tenth (one place after decimal point).

- (12) Check if the aggregate amount reported as beneficially owned in row (11) does not include shares which the reporting person discloses in the report but as to which beneficial ownership is disclaimed pursuant to Rule 13d-4 [17 CFR 240.13d-4] under the Securities Exchange Act of 1934.

- (14) *Type of Reporting Person* Please classify each reporting person according to the following breakdown and place the appropriate symbol (or symbols, i.e., if more than one is applicable, insert all applicable symbols) on the form:

| <i>Category</i> | <i>Symbol</i> |
|---|---------------|
| Broker-Dealer | BD |
| Bank | BK |
| Insurance Company | IC |
| Investment Company | IV |
| Investment Adviser | IA |
| Employee Benefit Plan or Endowment Fund | EP |
| Parent Holding Company/Control Person | HC |
| Savings Association | SA |
| Church Plan | CP |
| Corporation | CO |
| Partnership | PN |
| Individual | IN |
| Other | OO |

Notes:

Attach as many copies of the second part of the cover page as are needed, one reporting person per page.

Filing persons may, in order to avoid unnecessary duplication, answer items on the schedules (Schedule 13D, 13G or 14D-1) by appropriate cross references to an item or items on the cover page(s). This approach may only be used where the cover page item or items provide all the disclosure required by the schedule item. Moreover, such a use of a cover page item will result in the item becoming a part of the schedule and accordingly being considered as filed for purposes of Section 18 of the Securities Exchange Act or otherwise subject to the liabilities of that section of the Act.

Reporting persons may comply with their cover page filing requirements by filing either completed copies of the blank forms available from the Commission, printed or typed facsimiles, or computer printed facsimiles, provided the documents filed have identical formats to the forms prescribed in the Commission's regulations and meet existing Securities Exchange Act rules as to such matters as clarity and size (Securities Exchange Act Rule 12b-12).

SPECIAL INSTRUCTIONS FOR COMPLYING WITH SCHEDULE 13D

Under Sections 13(d) and 23 of the Securities Exchange Act of 1934 and the rules and regulations thereunder, the Commission is authorized to solicit the information required to be supplied by this schedule by certain security holders of certain issuers.

Disclosure of the information specified in this schedule is mandatory, except for I.R.S. identification numbers, disclosure of which is voluntary. The information will be used for the primary purpose of determining and disclosing the holdings of certain beneficial owners of certain equity securities. This statement will be made a matter of public record. Therefore, any information given will be available for inspection by any member of the public.

Because of the public nature of the information, the Commission can utilize it for a variety of purposes, including referral to other governmental authorities or securities self-regulatory organizations for investigatory purposes or in connection with litigation involving the Federal securities laws or other civil, criminal or regulatory statutes or provisions. I.R.S. identification numbers, if furnished, will assist the Commission in identifying security holders and, therefore, in promptly processing statements of beneficial ownership of securities.

Failure to disclose the information requested by this schedule, except for I.R.S. identification numbers, may result in civil or criminal action against the persons involved for violation of the Federal securities laws and rules promulgated thereunder.

General Instructions

- A. The item numbers and captions of the items shall be included but the text of the items is to be omitted. The answers to the items shall be so prepared as to indicate clearly the coverage of the items without referring to the text of the items. Answer every item. If an item is inapplicable or the answer is in the negative, so state.
 - B. Information contained in exhibits to the statements may be incorporated by reference in answer or partial answer to any item or sub-item of the statement unless it would render such answer misleading, incomplete, unclear or confusing. Material incorporated by reference shall be clearly identified in the reference by page, paragraph, caption or otherwise. An express statement that the specified matter is incorporated by reference shall be made at the particular place in the statement where the information is required. A copy of any information or a copy of the pertinent pages of a document containing such information which is incorporated by reference shall be submitted with this statement as an exhibit and shall be deemed to be filed with the Commission for all purposes of the Act.
 - C. If the statement is filed by a general or limited partnership, syndicate, or other group, the information called for by Items 2-6, inclusive, shall be given with respect to (i) each partner of such general partnership; (ii) each partner who is denominated as a general partner or who functions as a general partner of such limited partnership; (iii) each member of such syndicate or group; and (iv) each person controlling such partner or member. If the statement is filed by a corporation or if a person referred to in (i), (ii), (iii) or (iv) of this Instruction is a corporation, the information called for by the above mentioned items shall be given with respect to (a) each executive officer and director of such corporation; (b) each person controlling such corporation; and (c) each executive officer and director of any corporation or other person ultimately in control of such corporation.
- In accordance with Rule 14a- 8 under the Securities Act of 1934, as amended, I hereby submit for presentation at the 2018 Annual Meeting of Shareholders (the Meeting) of Avalon Holdings Corporation (the Company) and inclusion in

the proxy materials (i.e., the notice of meeting, proxy statement and proxy card) relating to the Meeting the following proposal and supporting statement.

Text of the Shareholder Proposal:

Election of Class A Director Anil Choudary Nalluri, M.D. ABPN:

Enclosed is my resume

Supporting Statement:

According to the publicly filed documents on September 30, 2017, the Company net operating revenue decreased by \$ 4.2 million from \$45.8 million from the first nine months of 2016 to \$ 41.6 million in the first nine months of 2017. Net operating income also decreased from \$300,000 in the first nine months of 2016 to a net operating loss of \$300,000 in the first nine months of 2017.

The Company is destroying shareholder value through decreasing net income per share and return on investment for shareholders. Net income per share has decreased from \$.21 per share in the third quarter of 2016 to \$.14 in the third quarter of 2017. On December 31, 1998, the Company cash equivalent was \$22,274,000, which is equal to approximately \$5.85 per share, whereas of September 30, 2017, the Company cash equivalent of \$1,615,000 is equal to approximately \$1.95 per share, a decrease of 67%. The Company operating revenue of the third quarter of 2017 was \$16.4 million compared with the same third quarter of 2016 was \$19.1 million. No dividends have been paid or other return to shareholders. Allocation of capital by the company, the company's board of directors has been very disappointing. We believe it is essential that the board of directors focus its attention on maximizing shareholder value in order to preserve the diminished value of the remains. As of today, the AWX stock value is approximately 8 million.

Anil Choudary Nalluri should be elected as a Class A Director because along with his family, they own over 888,410 shares which is a majority of the Class A shares. He has been a share holder since the Company went public in the year of 1998. He has also owned and operated his own medical practice since 1978. Anil Choudary Nalluri's goal if elected as a Class A Director is to maximize each shareholder's value.

The Company is violating their fiduciary duty which is causing poor performance of the company and deficient yield for shareholders. Anil Choudary Nalluri will be the best next director due to his experience with the Company and large financial stake.

I currently own 719,234 shares of Common A stock of Avalon Holdings Corporation, which presently has a market value of \$1,438,468 at the market price of \$2.00 now.

I intend to continue to hold these shares through the date of the Meeting. I either personally or through a representative also intends to attend the Meeting and present the proposal in this submission in accordance with Ohio law.

I am sending this submission via Priority US Mail and will retain proof of delivery and I will also fax a copy to 330-856-8480 which will be no later than December 15, 2017.

Anil C. Nalluri, M.D.

Date: December 8, 2017

Signature /s/ Anil Choudary Nalluri

Name/Title: Anil Choudary Nalluri

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative (other than an executive officer or general partner of the filing person), evidence of the representative's authority to sign on behalf of such person shall be filed with the statement: provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001)