



VENKY'S (INDIA) LIMITED

CIN: L01222PN1976PLC017422

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VENKY'S ANNOUNCES Q2 FY 24 FINANCIAL RESULTS

Pune, November 7, 2023: **Venky's (India) Limited**, a well-diversified company engaged in various manufacturing activities in the poultry industry, has announced its Financial Results for the quarter and half year ended 30th September, 2023.

QUARTER ENDED 30th SEPTEMBER, 2023

Revenues from operations stood at Rs.912.60 Cr.

Profit Before Tax at Rs. 45.81 Cr.

Profit After Tax at Rs. 34.09 Cr.

EPS at Rs. 24.20

HALF YEAR ENDED 30th SEPTEMBER, 2023

Revenues from operations stood at Rs.1,889.04 Cr.

Profit Before Tax at Rs.72.45 Cr.

Profit After Tax at Rs.53.50 Cr.

EPS at Rs. 37.98

Notes:

- The financial performance of the Poultry and Poultry Products segment for the quarter ended 30.09.23 has been better as compared to the quarter ended 30.09.22, due to improvement in realisations from the sale of day old chicks and grown up broilers; and also due to lower cost of feed ingredients i.e. maize and soya.
- Performance of Oilseed segment and Animal Health Products segment has been satisfactory.
- Expansion Projects: The Company had announced setting up of new manufacturing unit at Vill Kesurdi, Tal. Khandala, Dist Satara, Maharashtra under its Animal Health Product division in December, 2021. The project is on track and construction activities are completed. The Company is an advanced stage for obtaining necessary licenses for operations and it is expected that the commercial production will commence in December, 2023.

For more details about Venky's (India) Limited, please refer to the attached Information for Investors.



VENKY'S (INDIA) LIMITED

Information for Investors

Updated upto 30.09.2023

BUSINESS ACTIVITIES IN BRIEF



Venky's has 3 business segments :

1. Poultry and Poultry Products
2. Animal Health Products
3. Oilseed

NAME OF SEGMENT	NAME OF ACTIVITY	DESCRIPTION OF ACTIVITIES
Poultry and poultry products	Production and sale of day old broiler chicks	<p>Venky's is involved in broiler breeder operations. [Broiler birds are reared for meat purpose i.e. for human consumption like chicken tandoori, kabab, tikka, chicken masala, curry etc.].</p> <p>Venky's sources one- day-old broiler breeder parent chick from Venco Research and Breeding Farm Private Limited (a VH Group JV with Cobb Vantress Inc., USA). These breeder parent chicks are grown in poultry farms and females are artificially inseminated to obtain the hatching eggs which are hatched in incubators.</p> <p>Chicks coming out of the eggs are called "commercial chicks" which are sold by Venky's to various commercial poultry farmers and integrators who grow them in their own/contract farms and when the commercial chicks are grown to an age of 40 to 45 days they are sold in open market as "grown up broiler birds" for meat purpose (for human consumption).</p>
-do-	Production and sale of day old layer chicks	<p>Layer activities are similar to broiler activities above. [Layer birds are reared for table egg purpose i.e. for human consumption like egg omlets, egg curry etc.]. Parent chicks are bought from Venkateshwara</p>



		<p>Research And Breeding Farm Private Limited (a VH Group JV with ISA Breeders Inc., USA). Venky's sells commercial layer chicks to various poultry farmers who, in turn, grow them for obtaining "table eggs" - (meant for human consumption).</p>
-do-	Processing of broiler birds	<p>The chicken processing plant of Venky's is located at Kamshet, near Pune. Broiler grown up birds are slaughtered here for production of whole chicken, portions in fresh and frozen form and sold in retail and institutional markets under "Venky's" brand. The products are also sold to institutional buyers, major hotels and leading Quick Service Restaurant chains like KFC, Pizza Hut, Dominos, Vista Foods who supply to McDonalds, etc.</p>
Poultry and poultry products	Venky's Xprs [Company owned]	<p>Venky's is also in further processing, value added Chicken-In-Minutes products like freezer to fryer, completely cooked, ready-to-eat products sold under "Venky's" brand. Venky's chicken products are sold through distributors and retail outlets and are available in all leading super markets / food malls.</p> <p>Hygienically cooked, quick and lip smacking chicken treat, take away joint. Sale of various delicacies like garlic & pepper roast chicken, tender grilled chicken, Tandoori chicken roast, grilled chicken burger, chicken hot dog, Kathi roll, etc.</p>
	Chicken Xperience [Franchisee outlets]	<p>Chicken Xperience by Venky's are franchisee outlets on the similar business model of Venky's XPRS. Chicken Xperience outlets serve variety of cooked, ready to eat and chicken in minutes products in all the major cities of India.</p>



-do-	Production of Specific Pathogen Free (SPF) Eggs	<p>SPF Eggs: Specified Pathogen Free (SPF) Technology is a science of developing and maintaining a species of animals free of infection by Specified Pathogenic micro-organisms. Development of SPF Poultry breeding stock is an outcome of series of test conducted on selected layer breeders for 3 generations to confirm that the flock derived is free from vertically transmissible disease agents as indicated in European and Indian pharmacopeia.</p> <p>Venky's India Ltd (SPF Eggs. Div.) is one of the few producers in this high-tech area and the 4th largest producer of SPF eggs in the world. The eggs derived from such flock are free from almost over 42 antigens or antibodies which are exclusively used for production of live vaccines for humans, animal & poultry and for research purpose.</p>
Animal Health Products	Manufacture of medicines & Poultry feed Supplements	It has more than 35 unique products ensuring better health and better performance in breeders as well as commercial broilers and layers. AHPs are manufactured in powder as well as liquid forms in the manufacturing plant located near Pune.
Oilseed	Processing of Soya	Venky's has 3 soya processing plants. All the 3 plants are located in the State of Maharashtra (Solapur, Nanded and Srirampur). Edible oil obtained from the processing activity is sold in bulk to traders while the de-oiled cake is used in poultry feed – for captive consumption as well as sale to poultry feed manufacturers. Total capacity of all the 3 plants is 5,40,000 MT per annum.



This was possible through diversification into non-volatile manufacturing activities like :

- a) Soya processing
- b) Hi-tech research based production of SPF eggs [SPF eggs are supplied to various vaccine manufacturers - both animal vaccines and human vaccines]
- c) Animal Health Products
- d) Processed chicken products
- e) Poultry Feed

For the financial year ended 31st March, 2023, the combined sales turnover of :

- a) Non-volatile or less volatile manufacturing activities was approx Rs. 2,994 cr. i.e. 71 % of the total sales turnover of the Company.
- b) The remaining 29 % of sales i.e. Rs. 1,240 cr. came from sale of broiler day old chicks, layer day old chicks, broiler hatching eggs and grown up broiler birds.

What is bird flu? Whether bird flu outbreak can happen in future and how Venky's is planning to handle such situation ?



What is the effect of bird flu outbreak on the financial performance of Venky's?

Bird flu or avian influenza is the disease of birds. In India, it is generally transmitted through migratory birds. Occurrence of bird flu in poultry is a common phenomena throughout the world.

As far as India is concerned, the organized poultry farming (including Venky's) consists of rearing of birds by providing proper housing conditions, where disinfection and cleaning of the sheds take place regularly at high standards. The birds are always reared, with very high standard practices like bio-security norms of men and material movements, high quality feed along with preventive vaccination programs to prevent viral outbreak. This clearly demarcates organized poultry sector from backyard and unorganized farming.

According to the Department of Animal Husbandry, Government of India, bird flu occurs almost every year in some parts of the country through migratory birds, which bring the infection to India from across the world. The outbreaks usually happen in winter months and subsides by February.

As far as Venky's is concerned, since its poultry operations are very well diversified i.e. spread over 11 States in India, the effect of bird flu on its operations will be minimum and any disturbance in movement of poultry products or the downward price movement will be temporary in nature, as was witnessed in the last 20 years or so. Poultry operations include various sub-segments, like layer chicks, broiler chicks, broiler hatching eggs and grown up broiler birds – collectively they contributed approx. 29 % of sales turnover for the year ended 31st March, 2023.

VENKY'S (INDIA) LIMITED - LOCATION OF UNITS



LOCATION

NATURE OF UNIT

MAHARASHTRA

Pune	Breeder Farms, Specific Pathogen Free Egg, Poultry Feed, Animal Health Products, Chicken Processing, Commercial Farms.
Patan	SPF Eggs facilities.
Solapur	Solvent Extraction, Refinery and Poultry Feed.
Nanded	Solvent Extraction and Refinery.
Shrirampur	Solvent Extraction and Refinery.

GUJRAT

Anand	Breeder Farms & Hatchery
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UTTARAKHAND

Selakui	Hatchery and Feedmill
Manduwala	Breeder Farm and Hatchery
Rampur	Breeder Farm

UTTAR PRADESH

Sunderpur	Breeder Farm
Jasmour	Breeder Farm
Basti	Hatchery
Shamli	Breeder Farm



Shivarjpur	Breeder Farm, Feedmill
Naini	Hatchery
Bulandhshahr	Commercial Farms
Agra	Commercial Farms

HARYANA

Karnal	Hatchery, Breeder Farms
Panipat	Breeder Farms and Hatchery
Patvi	Feedmill
Hissar	Commercial Farms
Dehra	Breeding Farm
Kurukshetra	Commercial Farms
Kaithal	Breeder Farm, Hatchery and Commercial Farms
Yamuna Nagar	Commercial Farms
Samalkha	Breeder Farm and Hatchery
Sountli	Breeder Farm, Hatchery and Feed Mill
Larsauli	Breeder Farm and Hatchery
Dhamouli	Breeder Farm and Feedmill

PUNJAB

Ludhiana	Breeder Farms, Hatchery and Commercial Farms
Gurdaspur	Commercial Farms
Pathankot	Commercial Farms



Batala	Commercial Farms
Sangrur	Commercial Farms
Barnala	Commercial Farms
Patiala	Commercial Farms
Mansa	Commercial Farms
Samrala	Commercial Farms
Dasuya	Commercial Farms
Moga	Commercial Farms
Aone	Breeder Farm and Hatchery
Mahilpur	Commercial Farms
Khanna	Feedmill

MADHYA PRADESH

Rewa	Breeder Farms and Hatchery
Rajoda	Hatchery

HIMACHAL PRADESH

Nalagarh	Breeder Farms, Hatchery
Una	Commercial Farms
Bangana	Commercial Farms
Sansarpur	Hatchery

JAMMU AND KASHMIR

Kathua	Hatchery
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BIHAR

Mujjafarpur
Arrah

Hatchery
Hatchery

RAJASTHAN

Chirawa
Sikar
Navalgarh
Neem ka thana
Guda
Behrod

Commercial Farms
Commercial Farms
Commercial Farms
Commercial Farms
Commercial Farms
Commercial Farms

5 YEARS FINANCIAL HIGHLIGHTS

(Rupees In Lakhs)

PARTICULARS	2022-23	2021-22	2020-21	2019-20	2018-19
OPERATING RESULTS					
Turnover & Other Income	427,136	443,658	315,243	329,643	307,215
Material Cost	335,978	341,660	222,614	271,556	214,029
Personnel Cost	23,072	23,072	21,003	21,987	19,449
Interest	1,848	1,758	2,848	2,951	3,155
Other Expenses	53,151	50,790	29,168	34,695	39,737
Depreciation	3,546	3,657	3,543	3,425	2,935
Impairment of Goodwill	-	-	-	258	
Profit Before Tax	9,530	22,650	36,066	(4,971)	27,652
Profit After Tax	7,048	16,478	26,774	(2,716)	17,414
Dividend	6.00	13.00	17.00	-	8.00
(Rs. per Equity Share)					
FINANCIAL SUMMARY					
Assets Employed					
Current Assets	125,181	120,587	104,666	85,472	89,035
Current Liabilities	66,449	64,138	62,592	70,548	58,768
Net Current Assets	58,732	56,449	42,074	14,925	30,267
Net Fixed Assets	62,595	61,773	62,818	62,381	56,747
Investments	9,033	6,980	4,516	-	-
Other Non Current Assets	4,680	5,387	6,965	11,877	9,951
Total Assets	135,039	130,589	116,374	89,183	96,965
Financed By					
Share Capital	1,409	1,409	1,409	1,409	1,409
Reserves & Surplus	128,462	123,546	109,033	82,217	86,740
Capital Grants and Subsidies	61	66	73	24	27
Other non current liabilities	5,107	5,093	4,591	3,474	4,795
Borrowings	-	475	1,268	2,058	3,993
Total Liabilities	135,039	130,589	116,374	89,183	96,965
Earning Per Share (Rs.)	50.03	116.97	190.06	(19.28)	123.61
Book Value per share (Rs.)	921.90	887.00	783.98	593.63	625.73
Debt Equity Ratio	0.14	0.15	0.01	0.36	0.30
Share Price **High	2435	3950	1845.00	2,330.00	4,711.25
Low	1420	1502	807.15	580.00	1,788.50

Note: Previous year's figures have been regrouped wherever necessary and accordingly changed here.

**Source : www.bseindia.com

VENKY'S (INDIA) LIMITED

BORROWING POSITION



(Amount in Rs. Crores)

Period	Long Term	Short Term	Total
As on 31.03.2019	39.93	189.40	229.33
As on 31.03.2020	20.58	245.56	266.14
As on 31.03.2021	12.68	168.98	181.66
As on 31.03.2022	4.75	187.14	191.89
As on 31.03.2023	-	185.49	185.49
As on 30.09.2023	-	170.08	170.08

VENKY'S (INDIA) LIMITED



SHAREHOLDING PATTERN AS ON 30.09.2023

CATEGORY	NO. OF SHARES	%
Promoters and Promoter Group	79,03,966	56.11
Mutual Funds	4,362	0.03
Foreign Portfolio Investors	1,370,054	0.98
Financial Institutions / Banks	331	0.00
Body Corporate	8,35,016	5.93
Non Resident Indian	1,12,833	0.80
Other - Public	50,93,774	36.15
Total	1,40,87,336	100.00

VENKY'S (INDIA) LIMITED



PROCESSED FOOD PRODUCTS INFORMATION

Venky's is the prominent supplier to many QSR's and International chains like Kentucky Fried Chicken (KFC), Pizza Hut, Tacobell, TGI Friday, Brinkers, Vista Foods, Burger King, McDonalds etc.

Venky's is prominently associated with B2B and B2C retail chains to sell our Venky's brand chicken products, like Walmart, Metro Cash and Carry, Star Bazar, ABRL More, Future Retail and regional chains in major cities of India.

OUR RANGE OF PRODUCTS INCLUDE

RAW PRODUCTS:

Whole chicken, Precut chicken, Portions, Boneless, Curry pieces, Kheema, Drumsticks and Wings

BREADED PRODUCTS:

Nuggets, Cutlets, Fingers, Burger, Popcorn, Chicken & Cheese nuggets, Cordon Bleu nuggets and Spicy Fingers

CHICKEN-IN-MINUTES PRODUCTS:

Samosa, Sheek Kabab, Meat balls, Hariyali Kabab, Crispy Burger Patty and Schezwan Meat Balls

COLD CUTS:

Sausages, Salami, Salami slices and Chicken Franks, Vienna Sausages, Chicken Cheese & Onion sausages, Chicken Cocktail sausages, Breakfast sausages, Hot Dog, Mexican Salami, Spicy Salami and Masala Hit Sausages

COMPLETELY COOKED READY-TO-EAT:

Butter chicken, Pre-spiced Kheema, Murg Masala, Mom's Chicken Biryani, Mughali Chicken Biryani, Garlic Pepper Grilled Chicken and Tandoori Grilled Chicken