



Venky's (India) Limited

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CIN : L01222PN1976PLC017422



Date: 29th June, 2020

Mr. K Hari
The National Stock Exchange of
India Limited,
'Exchange Plaza',
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051.

The General Manager, DCS-CRD
Corporate Relationship Dept.,
Bombay Stock Exchange limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Dear Sir,

Subject: Audited Financial Results for the quarter and year ended 31st March, 2020 -
Venky's (India) Limited.

Ref: - Scrip Code (i) Bombay Stock Exchange Limited - **523261**
(ii) National Stock Exchange of India Limited - **VENKEYS**

Pursuant to Regulation 33(3)(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Audited Financial Results of Venky's (India) Limited for the quarter and year ended 31st March, 2020 which were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings, held on 29th June, 2020.

Further, the Board of Directors has not recommended any dividend for the financial year ended 31st March 2020.

The aforesaid Board Meeting commenced at 10.30. A.M. IST and was concluded at 1:00. P.M. IST.

Kindly take the said documents on your records and acknowledge receipt of the same.

FOR VENKY'S (INDIA) LIMITED


ROHAN BHAGWAT
COMPANY SECRETARY &
COMPLIANCE OFFICER



Encl: As above

VENKY'S (INDIA) LIMITED

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020

(Rupees in Lakhs)

Particulars	Quarter Ended			Year Ended	Year Ended
	31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019
	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.
INCOME					
Revenue from operations	66,086	88,020	83,039	326,102	304,314
Other income	866	916	803	3,541	2,901
TOTAL INCOME (I)	66,952	88,936	83,842	329,643	307,215
EXPENSES					
Cost of materials consumed	53,726	66,864	59,876	245,506	206,920
Purchases of bearer biological assets	1,144	1,060	1,318	4,126	4,835
Purchases of stock-in-trade	3,524	3,861	3,476	14,537	12,061
Changes in inventories of finished goods, work-in-progress, stock-in-trade and biological assets.	6,559	1,282	(1,724)	7,386	(3,681)
Employee benefits expense	5,579	5,572	5,186	21,987	19,449
Finance costs	982	688	761	2,951	3,155
Depreciation and amortisation expense	1,045	798	769	3,425	2,935
Impairment of goodwill	-	-	-	-	258
Other expenses	7,307	9,653	8,947	34,695	33,631
TOTAL EXPENSES (II)	79,866	89,778	78,609	334,613	279,563
PROFIT/(LOSS) BEFORE TAX (I-II)	(12,914)	(842)	5,233	(4,970)	27,652
Less: Tax expense/(Tax Income):					
Current tax	(1,870)	(270)	2,075	-	9,950
Deferred tax	(1,294)	14	(114)	(2,177)	10
Tax adjustment in respect of earlier period	(77)	-	278	(77)	278
Sub Total	(3,241)	(256)	2,239	(2,254)	10,238
PROFIT/(LOSS) FOR THE PERIOD (A)	(9,673)	(586)	2,994	(2,716)	17,414
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit or loss					
Re-measurement gains/(losses) on defined benefit plans [#]	(541)	-	(123)	(541)	(123)
Less: Income tax	(136)	-	(43)	(136)	(43)
Sub Total	(405)	-	(80)	(405)	(80)
Items that will be reclassified to profit or loss					
Net movement on cash flow hedges	1	5	(14)	(8)	89
Less: Income tax	-	3	(5)	(2)	31
Sub Total	1	2	(9)	(6)	58
OTHER COMPREHENSIVE INCOME FOR THE PERIOD (B)	(404)	2	(89)	(411)	(22)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B)	(10,077)	(584)	2,905	(3,127)	17,392
Paid-up equity share capital (Face Value of ₹ 10/- each)	1,409	1,409	1,409	1,409	1,409
Other equity				82,217	86,740
Earnings per share (Nominal Value of Share: ₹ 10/- per equity share) (* not annualised)	*	*	*		
(a) Basic	(68.66)	(4.16)	21.25	(19.28)	123.62
(b) Diluted	(68.66)	(4.16)	21.25	(19.28)	123.62

[#] Based on the actuarial valuation report taken by the Company on annual basis.

Venky's (India) Limited
Segment Information

(Rupees in Lakhs)

	Particulars	Quarter Ended			Year Ended	
		31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019
		(Audited) Rs.	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.
1	SEGMENT REVENUE					
	a. Poultry and Poultry Products	29,670	42,160	38,557	156,700	147,600
	b. Animal Health Products	5,163	6,042	6,315	23,222	24,096
	c. Oilseed	33,902	43,179	41,174	158,946	143,104
	Total	68,735	91,381	86,046	338,868	314,800
	Less: Inter-segment Revenue	2,649	3,361	3,007	12,766	10,486
	Revenue From Operations	66,086	88,020	83,039	326,102	304,314
2	SEGMENT RESULTS					
	Profit/(Loss) before tax and interest					
	a. Poultry and Poultry Products	(13,533)	(2,757)	3,641	(11,633)	21,987
	b. Animal Health Products	626	1,039	1,155	3,981	4,277
	c. Oilseed	1,294	2,255	1,635	6,818	6,174
	Total	(11,613)	537	6,431	(834)	32,438
	Less:					
	(i) Interest	982	688	761	2,951	3,155
	(ii) Other unallocable expenditure net of unallocable income	319	691	437	1,185	1,631
	Total Profit/(Loss) Before Tax	(12,914)	(842)	5,233	(4,970)	27,652
3	SEGMENT ASSETS					
	a. Poultry and Poultry Products	76,211	86,989	80,868	76,211	80,868
	b. Animal Health Products	10,529	9,516	8,523	10,529	8,523
	c. Oilseed	45,493	45,369	40,857	45,493	40,857
	Total	132,233	141,874	130,248	132,233	130,248
	d. Unallocable assets	27,498	27,088	25,485	27,498	25,485
	Total Assets	159,731	168,962	155,733	159,731	155,733
4	SEGMENT LIABILITIES					
	a. Poultry and Poultry Products	29,431	27,449	24,479	29,431	24,479
	b. Animal Health Products	3,551	2,433	3,226	3,551	3,226
	c. Oilseed	9,909	11,141	7,927	9,909	7,927
	Total	42,891	41,023	35,632	42,891	35,632
	d. Unallocable Liabilities	33,214	34,199	31,952	33,214	31,952
	Total Liabilities	76,105	75,222	67,584	76,105	67,584



VENKY'S (INDIA) LIMITED
BALANCE SHEET AS AT 31 MARCH 2020

(Rupees in Lakhs)

Particulars	As at 31 Mar 2020	As at 31 Mar 2019
	(Audited) Rs.	(Audited) Rs.
ASSETS		
Non-current Assets		
Property, Plant and Equipment	55,419	49,082
Capital work-in-progress	5,275	6,643
Right of use assets	655	-
Goodwill	1,010	1,010
Other Intangible assets	23	12
Financial Assets		
- Loans	5	18
- Other financial assets	6,494	7,292
Income tax assets (Net)	3,483	516
Other non-current assets	1,895	2,125
(a)	74,259	66,698
CURRENT ASSETS		
Inventories	11,131	20,884
Biological assets	11,463	18,562
Financial assets		
-Investments	703	615
-Trade receivables	44,843	30,555
-Cash and cash equivalents	516	930
-Bank balances other than cash and cash equivalents	14,718	14,460
- Loans	109	118
-Other financial assets	1,209	1,752
Other current assets	780	1,159
(b)	85,472	89,035
Total Assets (a+b)	159,731	155,733
EQUITY AND LIABILITIES		
Equity		
Equity Share capital	1,409	1,409
Other Equity	82,217	86,740
(a)	83,626	88,149
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	2,058	3,993
- Lease liabilities	722	-
- Other financial liabilities	97	86
Provisions	1,461	1,186
Deferred tax liabilities (Net)	1,195	3,523
Other non current liabilities	24	27
(b)	5,557	8,815
Current Liabilities		
Financial liabilities		
- Borrowings	25,456	18,940
- Trade payables		
Dues to micro enterprises and small enterprises	222	198
Dues to others	38,320	27,861
- Other financial liabilities	3,574	5,265
Other current liabilities	2,076	5,658
Provisions	900	330
Current tax liabilities (net)	-	517
(c)	70,548	58,769
Total Equity and Liabilities (a+b+c)	159,731	155,733



VENKY'S (INDIA) LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2020
(Rupees in Lakhs)

Particulars	Year Ended	Year Ended
	31/03/2020	31/03/2019
	(Audited) Rs.	(Audited) Rs.
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(4,970)	27,652
Adjustments for:		
Depreciation and amortization expense	3,425	2,935
Impairment of goodwill	-	258
Interest income	(1,814)	(1,546)
Finance cost	2,951	3,155
Government grant amortized in statement of profit and loss	(3)	(3)
Fair value changes in biological assets	5,270	(1,915)
Loss on property, plant & equipment sold/ discarded (net)	31	56
Fair Value adjustment/Gain on sale of current investments (net)	(93)	(5)
Provision for credit impaired debts and advances	212	71
Profit on lease modification	(3)	-
Loss/(Gain) on unrealised foreign exchange (net)	60	(13)
Operating profit before changes in assets and liabilities	5,066	30,645
Changes in assets and liabilities		
Inventories	9,753	(4,664)
Biological assets	1,828	(3,033)
Trade receivables & other financial assets	(14,742)	(1,734)
Non financial assets	334	661
Trade payables and other financial liabilities	10,443	5,267
Non financial liabilities and provisions	(3,278)	(209)
Cash generated from operations	9,404	26,933
Direct taxes paid	(3,588)	(11,042)
NET CASH GENERATED BY OPERATING ACTIVITIES	5,816	15,891
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	51	27
Payments towards capital expenditure	(8,366)	(10,184)
Proceeds/(Payments) towards sales/purchases in mutual funds (net)	5	(610)
Capital advances received back	1,200	3,000
Intercompany deposits placed	-	(1,880)
Intercompany deposits received back	-	4,269
Interest received	1,806	1,551
NET CASH USED IN INVESTING ACTIVITIES	(5,304)	(3,827)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	1,475	1,386
Repayment of long-term borrowings	(4,383)	(10,390)
Proceeds from short-term borrowings (net of repayments)	6,516	1,650
Finance cost paid	(3,186)	(3,356)
Dividend paid (including dividend distribution tax)	(1,348)	(1,333)
NET CASH USED IN FINANCING ACTIVITIES	(926)	(12,043)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(414)	21
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	930	909
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	516	930

NOTES:

1. During the quarter ended March, 2020, the Company incurred losses mainly due to unprecedented lower realizations from sale of poultry products. Sales turnover and profits were also lower in respect of the Animal Health Products and Oilseed divisions.

2. Covid-19 outbreak :

The outbreak of Covid-19 pandemic resulted in severe disruption of economic activities throughout the world, including India. For the poultry industry, from the last week of January, 2020 false propaganda and rumours about corona virus infection by consuming chicken and eggs have adversely affected the sales turnover and realizations. Further, the lockdown announced by the Government of India in March, 2020 has also affected the operations of the Company. These factors have drastically reduced the sales volume and the Company has faced unprecedented losses.

Many of the poultry production facilities were not closed during lockdown, since they are part of essential services. There was temporary closure in respect of Animal Health Products Unit (from 3rd week of March to 3rd week of May) and Chicken Processing Plant (from 4th week of March to 2nd week of April). Presently, all the business units are in operation, in a phased manner, in line with the directives of the statutory authorities.

As far as the future financial performance of the Company is concerned, it is difficult to make any reliable estimate as of now since normalcy is yet to return.

3. Status of Expansion Projects:

- a. Solvent Extraction Plant and Vegetable Oil Refinery in Srirampur, Maharashtra : Due to COVID-19 pandemic situation, completion of the project work was delayed. The project is in final stage of completion and approximately one-month's work is pending which is expected to be completed shortly.
 - b. Expansion of Specific Pathogen Free Eggs capacity by setting up new production unit at Patan, Maharashtra: The project has been completed. SPF breeding stock has been placed in a phased manner and is in growing stage. Production of SPF eggs will commence from October, 2020.
4. In view of the losses, the Board of Directors has not recommended any dividend for the financial year ended 31st March, 2020.
 5. During the quarter ended 30th September, 2019 the Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and the impact of such change was recognized in that quarter. The tax expense/ (tax income) for the quarter ended 31st March 2020 has been consistently recognised basis the above selected option.



6. The above results were perused by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 29th June, 2020.
7. Figures of the last quarter are balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
8. The statutory auditor has issued an unqualified audit report pertaining to financials for year ended 31st March, 2020.
9. Previous year figures are regrouped/reclassified to conform to the current year's presentation.

Place: Pune
Date: 29th June, 2020



For Venky's (India) Limited

A handwritten signature in black ink, appearing to read "B. Balaji Rao".

B. Balaji Rao
Managing Director
DIN: 00013551

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF VENKY'S (INDIA) LIMITED**

Report on the audit of the Financial Results

Opinion

We have audited the accompanying quarterly financial results of Venky's (India) Limited ("the Company") for the quarter ended March 31, 2020 and the year to date results for the period from April 01, 2019 to March 31, 2020 ("the financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter ended March 31, 2020 as well as the year to date results for the period from April 01, 2019 to March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 2 to the financial results, which describes the impact of COVID-19 pandemic on the operations of the Company. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Financial Results

These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating



effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial



results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial results.

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

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

Other Matter:

- i. Attention is drawn to the fact that the financial results includes the result for the quarter ended 31st March, 2020 being the balancing figure between audited figures in respect of full financial year and published period end figures up to the third quarter of the current financial year.
- ii. In view of the national lockdown due to COVID-19 pandemic, the physical verification procedures for inventory could not be carried out by the management in the manner it is generally carried out at the year end and our attendance was impracticable. Consequently, we have performed alternate procedures as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence regarding the existence of inventory.

Our opinion is not modified in respect of above matters.

Place: Mumbai
Dated: 29th June, 2020



For **B. D. Jokhakar & Co.**
Chartered Accountants
Firm Registration Number: 104345W

Raman Jokhakar
Partner

Membership Number: 103241
UDIN: 20103241AAAADA4472

Address: 8 Ambalal Doshi Marg, Fort, Mumbai 400001