



**Venky's (India) Limited**

Regd. & Corporate Office :  
'Venkateshwara House', S.No. 114/A/2,  
Pune-Sinhagad Road, Pune-411030, India.  
Phone : 2425 1530 to 2425 1541  
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www.venkys.com  
CIN : L01222PN1976PLC017422



**Date: 12<sup>th</sup> November, 2019.**

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 30<sup>th</sup> September, 2019 - 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 half year ended 30<sup>th</sup> September, 2019 which were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings, held on 12<sup>th</sup> November, 2019.

The aforesaid Board Meeting commenced at 10.30 A.M. IST and was concluded at 12:30 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

(Rupees in Lakhs)

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018	31/03/2019
	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.	(Audited) Rs.
<b>INCOME</b>						
Revenue from operations	81,466	90,530	64,554	171,996	140,109	304,314
Other income	932	827	542	1,759	1,233	2,901
<b>TOTAL INCOME (I)</b>	<b>82,398</b>	<b>91,357</b>	<b>65,096</b>	<b>173,755</b>	<b>141,342</b>	<b>307,215</b>
<b>EXPENSES</b>						
Cost of materials consumed	64,803	60,113	46,678	124,916	94,557	206,920
Purchases of bearer biological assets	955	967	1,452	1,922	2,481	4,835
Purchases of stock-in-trade	3,077	4,075	2,043	7,152	5,077	12,061
Changes in inventories of finished goods, work-in-progress, stock-in-trade and biological assets.	(1,242)	787	(710)	(455)	(756)	(3,681)
Employee benefits expense	5,426	5,410	4,795	10,836	9,310	19,449
Finance costs	628	653	855	1,281	1,807	3,155
Depreciation and amortisation expense	796	786	727	1,582	1,435	2,935
Impairment of goodwill	-	-	-	-	-	258
Other expenses	8,692	9,043	8,372	17,735	15,673	33,631
<b>TOTAL EXPENSES (II)</b>	<b>83,135</b>	<b>81,834</b>	<b>64,212</b>	<b>164,969</b>	<b>129,584</b>	<b>279,563</b>
<b>PROFIT/(LOSS) BEFORE TAX (I-II)</b>	<b>(737)</b>	<b>9,523</b>	<b>884</b>	<b>8,786</b>	<b>11,758</b>	<b>27,652</b>
Less: Tax expense:						
Current tax	(1,130)	3,270	385	2,140	4,185	9,950
Deferred tax	(966)	69	(49)	(897)	(80)	10
Tax adjustment in respect of earlier period	-	-	-	-	-	278
<b>Sub Total</b>	<b>(2,096)</b>	<b>3,339</b>	<b>336</b>	<b>1,243</b>	<b>4,105</b>	<b>10,238</b>
<b>PROFIT FOR THE PERIOD (A)</b>	<b>1,359</b>	<b>6,184</b>	<b>548</b>	<b>7,543</b>	<b>7,653</b>	<b>17,414</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
Items that will not be reclassified to profit or loss						
Re-measurement gains/(losses) on defined benefit plans <sup>#</sup>	-	-	-	-	-	(123)
Less: Income tax	-	-	-	-	-	(43)
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(80)</b>
Items that will be reclassified to profit or loss						
Net movement on cash flow hedges	(3)	(11)	40	(14)	129	89
Less: Income tax	(1)	(4)	14	(5)	45	31
<b>Sub Total</b>	<b>(2)</b>	<b>(7)</b>	<b>26</b>	<b>(9)</b>	<b>84</b>	<b>58</b>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD (B)</b>	<b>(2)</b>	<b>(7)</b>	<b>26</b>	<b>(9)</b>	<b>84</b>	<b>(22)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B)</b>	<b>1,357</b>	<b>6,177</b>	<b>574</b>	<b>7,534</b>	<b>7,737</b>	<b>17,392</b>
Paid-up equity share capital (Face Value of ₹ 10/- each)	1,409	1,409	1,409	1,409	1,409	1,409
Other equity						86,740
Earnings per share (Nominal Value of Share: ₹ 10/- per equity share) (* not annualised)						
(a) Basic	9.65	43.90	3.89	53.54	54.33	123.62
(b) Diluted	9.65	43.90	3.89	53.54	54.33	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			Half Year Ended		Year Ended
	30/09/2019 (Audited) Rs.	30/06/2019 (Audited) Rs.	30/09/2018 (Audited) Rs.	30/09/2019 (Audited) Rs.	30/09/2018 (Audited) Rs.	31/03/2019 (Audited) Rs.
<b>1 SEGMENT REVENUE</b>						
a. Poultry and Poultry Products	37,206	47,664	31,154	84,870	67,803	147,600
b. Animal Health Products	5,884	6,133	5,606	12,017	11,284	24,096
c. Oilseed	41,917	39,948	30,265	81,865	65,866	143,104
<b>Total</b>	<b>85,007</b>	<b>93,745</b>	<b>67,025</b>	<b>178,752</b>	<b>144,953</b>	<b>314,800</b>
Less: Inter-segment Revenue	3,541	3,215	2,471	6,756	4,844	10,486
<b>Revenue From Operations</b>	<b>81,466</b>	<b>90,530</b>	<b>64,554</b>	<b>171,996</b>	<b>140,109</b>	<b>304,314</b>
<b>2 SEGMENT RESULTS</b>						
<b>Profit before tax and interest</b>						
a. Poultry and Poultry Products	(3,225)	7,882	248	4,657	9,027	21,987
b. Animal Health Products	1,149	1,167	932	2,316	1,943	4,277
c. Oilseed	1,981	1,288	1,103	3,269	3,194	6,174
<b>Total</b>	<b>(95)</b>	<b>10,337</b>	<b>2,283</b>	<b>10,242</b>	<b>14,164</b>	<b>32,438</b>
Less:						
(i) Interest	628	653	855	1,281	1,807	3,155
(ii) Other unallocable expenditure net of unallocable income	14	161	544	175	599	1,631
<b>Total Profit Before Tax</b>	<b>(737)</b>	<b>9,523</b>	<b>884</b>	<b>8,786</b>	<b>11,758</b>	<b>27,652</b>
<b>3 SEGMENT ASSETS</b>						
a. Poultry and Poultry Products	85,103	84,260	72,775	85,103	72,775	80,868
b. Animal Health Products	9,319	8,816	8,432	9,319	8,432	8,523
c. Oilseed	42,737	40,134	30,779	42,737	30,779	40,857
<b>Total</b>	<b>137,159</b>	<b>133,210</b>	<b>111,986</b>	<b>137,159</b>	<b>111,986</b>	<b>130,248</b>
d. Unallocable assets	29,568	26,581	26,906	29,568	26,906	25,485
<b>Total Assets</b>	<b>166,727</b>	<b>159,791</b>	<b>138,892</b>	<b>166,727</b>	<b>138,892</b>	<b>155,733</b>
<b>4 SEGMENT LIABILITIES</b>						
a. Poultry and Poultry Products	25,198	22,184	19,669	25,198	19,669	24,479
b. Animal Health Products	2,803	2,628	2,574	2,803	2,574	3,226
c. Oilseed	9,388	6,891	5,565	9,388	5,565	7,927
<b>Total</b>	<b>37,389</b>	<b>31,703</b>	<b>27,808</b>	<b>37,389</b>	<b>27,808</b>	<b>35,632</b>
d. Unallocable Liabilities	35,013	33,762	32,589	35,013	32,589	31,952
<b>Total Liabilities</b>	<b>72,402</b>	<b>65,465</b>	<b>60,397</b>	<b>72,402</b>	<b>60,397</b>	<b>67,584</b>



VENKY'S (INDIA) LIMITED  
BALANCE SHEET AS AT 30 SEPTEMBER 2019

(Rupees in Lakhs)

Particulars	As at	As at
	30 Sept 2019	31 Mar 2019
	(Audited)	(Audited)
	Rs.	Rs.
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant and Equipment	51,600	49,082
Capital work-in-progress	7,752	6,643
Goodwill	1,010	1,010
<b>Other Intangible assets</b>	28	12
<b>Financial Assets</b>		
- Loans	18	18
- Other financial assets	5,996	7,292
Income tax assets (Net)	1,455	516
Other non-current assets	2,013	2,125
(a)	<b>69,872</b>	<b>66,698</b>
<b>CURRENT ASSETS</b>		
Inventories	15,720	20,884
Biological assets	18,037	18,562
<b>Financial assets</b>		
-Investments	2,766	615
-Trade receivables	39,720	30,555
-Cash and cash equivalents	1,856	930
-Bank balances other than cash and cash equivalents	14,603	14,460
- Loans	293	118
-Other financial assets	2,684	1,752
Other current assets	1,176	1,159
(b)	<b>96,855</b>	<b>89,035</b>
<b>Total Assets (a+b)</b>	<b>166,727</b>	<b>155,733</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share capital	1,409	1,409
Other Equity	92,916	86,740
(a)	<b>94,325</b>	<b>88,149</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
- Borrowings	2,454	3,993
- Other financial liabilities	103	86
Provisions	1,275	1,186
Deferred tax liabilities (Net)	2,621	3,523
Other non current liabilities	25	27
(b)	<b>6,478</b>	<b>8,815</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
- Borrowings	22,923	18,940
- Trade payables		
Dues to micro enterprises and small enterprises	162	198
Dues to others	33,376	27,861
- Other financial liabilities	6,474	5,265
Other current liabilities	2,384	5,658
Provisions	376	330
Current tax liabilities (net)	229	517
(c)	<b>65,924</b>	<b>58,769</b>
<b>Total Equity and Liabilities (a+b+c)</b>	<b>166,727</b>	<b>155,733</b>



VENKY'S (INDIA) LIMITED

STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2019

(Rupees in Lakhs)

Particulars	Half Year Ended	
	30/09/2019	30/09/2018
	(Audited)	(Audited)
	Rs.	Rs.
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	8,786	11,758
Adjustments for:		
Depreciation and amortization expense	1,582	1,436
Impairment of goodwill	-	-
Interest income	(936)	(618)
Finance cost	1,281	1,807
Government grant amortized in statement of profit and loss	(1)	(1)
Fair value changes in biological assets	(1,170)	(907)
Loss on property, plant and equipment sold/ discarded (net)	13	4
Fair Value adjustment/Gain on sale of current investments (net)	(51)	-
Provision for credit impaired debts and advances	49	62
Loss on unrealised foreign exchange (net)	18	11
<b>Operating profit before changes in assets and liabilities</b>	<b>9,571</b>	<b>13,552</b>
<b>Changes in assets and liabilities</b>		
Inventories	5,164	3,159
Biological assets	1,695	(1,004)
Trade receivables and other financial assets	(9,555)	1,203
Non financial assets	(238)	(274)
Trade payables and other financial liabilities	5,469	(497)
Non financial liabilities and provisions	(3,369)	(1,695)
<b>Cash generated from operations</b>	<b>8,737</b>	<b>14,444</b>
Direct taxes paid	(3,367)	(4,090)
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>5,370</b>	<b>10,354</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	44	28
Payments towards capital expenditure	(5,322)	(3,820)
Purchase of current investments in mutual funds	(2,100)	-
Capital advances received back	400	2,500
Intercompany deposits placed	-	(1,880)
Intercompany deposits received back	-	4,269
Interest received	931	619
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>(6,047)</b>	<b>1,716</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	1,475	395
Repayment of long-term borrowings	(2,419)	(9,047)
Net change in short term borrowings	3,983	(467)
Finance cost paid	(1,435)	(1,890)
Dividend paid	(1)	(13)
<b>NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES</b>	<b>1,603</b>	<b>(11,022)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>926</b>	<b>1,048</b>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	930	909
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>1,856</b>	<b>1,957</b>



**NOTES:**

1. During the quarter ended September, 2019, the profitability was affected due to higher input costs - mainly poultry feed ingredients - and lower realizations from the sale of poultry products as compared to the quarter ended June, 2019.
2. **Status of Expansion Projects :** As already announced, the Company has undertaken the following new projects :
  - a. Solvent extraction plant and vegetable oil refinery in Srirampur, Maharashtra: Construction work and erection of machinery is progressing and the project is on schedule.
  - b. Expansion of Specific Pathogen Free eggs capacity by setting up new production unit at Patan, Maharashtra: The project is in final stage of completion and the first batch of birds are expected to be housed by last quarter of the financial year 2019-20.
3. The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized Provision for Income Tax for the six months ended 30<sup>th</sup> September, 2019 and re-measured its Deferred Tax Assets basis the rate prescribed in the said section. The full impact of this change has been recognized in the Statement of Profit and Loss for the quarter ended 30<sup>th</sup> September, 2019.
4. The above results and notes thereon were perused by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 12<sup>th</sup> November, 2019.
5. Previous year figures are regrouped/reclassified to conform to the current year's presentation.

Place: Pune  
Date: 12<sup>th</sup> November, 2019

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 Interim Financial Results**

**Opinion**

We have audited the accompanying interim quarterly financial results of Venky's (India) Limited ("the Company") for the quarter ended 30<sup>th</sup> September, 2019 and the year to date results for the period from 01<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019 ("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 profit and other comprehensive income and other financial information for the quarter ended 30<sup>th</sup> September, 2019 as well as the year to date results for the period from 01<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019.

**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.

**Management's Responsibilities for the Financial Results**

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim 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 profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' 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.

**Auditor's 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



**B. D. Jokhakar & Co.**

our work; and (ii) to evaluate the effect of any identified misstatements in the interim 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.

Place: Mumbai  
Dated: 12<sup>th</sup> November, 2019

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



**Raman Jokhakar**  
Partner  
Membership Number: 103241  
UDIN: 19103241AAAAKP6643

