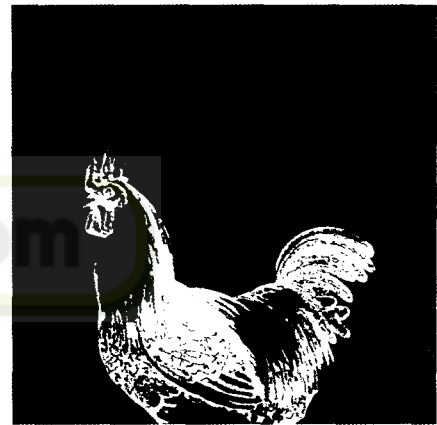


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33RD ANNUAL REPORT 2008-09



V H GROUP

VENKY'S (INDIA) LIMITED



Padmashree Late Dr. B.V. Rao
(1935-1996)

"Technologically Indian poultry can match the world's best. Our productivity levels both in layer and broiler segments are second to none. Yet we also feel small, for there is so much to be done and so much more that can be done."

"The process of economic liberalisation will help this industry to expand rapidly. There are no longer any artificial barriers between us and modern technology."

"My group is passionately committed in bringing quality and technology to the Indian poultry industry."

"Under the Indian conditions, the small farmer is the backbone and the kingpin of our industry and he will continue to be so far all time to come."

"All our plans and programmes should be aimed at ensuring that the small farmer continues to remain in the industry and prosper."

"Every successful organisation needs a clear commitment to excel in a chosen field; and this commitment will hold up over the years only by staying true to an original vision even in the worst of times."

Padmashree Dr. B. V. Rao



Venky's (India) Limited

A Message From The Chairperson

Dear Shareholders,

Greetings of the Season !

It is my pleasure to present you with a review of the general scenario of the poultry sector in India and the prospects of Venky's (India) Limited in particular.

In spite of the various adverse factors, such as steep increase in prices of feed ingredients like maize and soya, fall in egg and broiler prices during the period July, 2008 to September, 2008, the poultry sector has been able to register a decent growth during the financial year 2008-09. We have witnessed fluctuations in the fortunes of the poultry sector during the year, but thanks to the strong foundation laid by our Late Chairman Padmashree Dr. B.V. Rao, your Company has not only survived the uncertain times but registered a reasonably satisfactory sales turnover and profits.

The growth of the poultry sector is synonymous with the growth of rural employment and creation of wealth for the rural poor. Poultry continues to be a key player in providing a source of affordable and nutritious food in these days of rising prices of other food items. Presently, the per capita consumption in our country is about 52 eggs and 3.1 kgs of poultry meat per year. Even at this low level, poultry sector is providing employment to more than 3 million persons and contributing over Rs.45,000 crores to GNP. Its potential to grow into a major contributor to the Indian economy in the near future is well recognized.

The vast gap between our present per capita consumption and National Institute of Nutrition (NIN) recommended level i.e. 180 eggs and 11 kgs. of poultry meat offers excellent opportunity for the growth of poultry industry and this huge gap in consumption levels has to be bridged. To this end the poultry sector should see sustained growth in egg and broiler production. Though the overall demand scenario is favourable for continued growth of the industry, the industry is facing the threat of relentless increase in prices of maize and soya. The poultry industry has pleaded with the Government to ban forward trading in maize and soya and channelise the export of maize and soya meal through a designated government agency and to put a ceiling on the volume of export and ban on export by private parties; and the industry is hopeful of getting a favourable response from the Government.

Coming to the performance of the Company for the year 2008-09, though the sales turnover registered a growth of 9%, the profit before tax declined by 26% mainly due to steep increase in price of soya and maize and the Company could not pass on the increase to its customers. With a balanced product-mix encompassing day-old chicks, specific pathogen free eggs, animal health products, poultry feed, processed chicken and solvent extraction – offering much needed stability in financial performance – your Company would continue to perform satisfactorily, both in terms of volumes and profitability ensuring better returns to the shareholders.

My best wishes for you and your families.

Anuradha J. Desai

Chairperson

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Venky's (India) Limited

BOARD OF DIRECTORS

Mrs. Anuradha J. Desai	— Chairperson
Mr. B. Venkatesh Rao	— Vice Chairman
Mr. B. Balaji Rao	— Managing Director and Chief Executive Officer
Mr. Jitendra M. Desai	
Mr. S.B. Thorat	
Mr. B.G. Deshmukh	
Mr. C. Jagapathi Rao	
Lt. Col. (Retd.) Ashok Mahajan	

AUDIT COMMITTEE

Mr. B.G. Deshmukh	— Chairman (Independent Director)
Mr. S.B. Thorat	— Member (Independent Director)
Mr. Jitendra M. Desai	— Member (Non-Executive Non-Independent Director)
Lt. Col. (Retd.) Ashok Mahajan	— Member (Independent Director)

SHARE TRANSFER & INVESTORS' GRIEVANCES COMMITTEE

Mrs. Anuradha J. Desai	— Chairperson
Mr. B. Venkatesh Rao	— Member
Mr. Jitendra M. Desai	— Member

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Mr. A. G. Bauskar

BANKERS

State Bank of India
Industrial Development Bank of India

AUDITORS

Sudhit K. Parekh & Co.
Chartered Accountants
Ballard House, 2nd floor, Adil Marzaban Path,
Ballard Pier, Fort, Mumbai-400 001.

REGISTRARS AND SHARE TRANSFER AGENTS

Bigshare Services Private Limited
E-2, Ansa Industrial Estate
Sakivihar Road, Sakinaka
Andheri (East), Mumbai-400 072.
Tel. : 022-28473747, 28470652-53

REGISTERED AND CORPORATE OFFICE

"Venkateshwara House"
S.No. 114/A/2, Pune-Sinhagad Road
Pune-411 030
Tel. : 020-24251530 to 41

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FINANCIAL HIGHLIGHTS

(Rs. In Lacs)					
PARTICULARS	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
OPERATING RESULTS					
Turnover & Other Income	57,526	52,838	41,688	38,377	34,677
Material Cost	38,224	32,940	26,042	23,070	19,341
Personnel Cost	4,099	3,774	3,302	2,918	2,560
Interest	788	872	483	317	344
Other Expenses	10,450	10,243	9,314	9,677	9,348
Depreciation	862	827	734	617	602
Provision for Contingencies Written back		—	—	—	(200)
Profit Before Tax	3,103	4,182	1,814	1,779	2,682
Profit After Tax	2,056	2,661	1,152	1,177	1,667
Dividend (%)	35	35	30	20	35
FINANCIAL SUMMARY					
Assets Employed					
Current Assets	14,708	14,684	13,450	10,899	9,360
Current Liabilities	6,095	5,750	5,215	4,543	4,147
Net Current Assets	8,613	8,934	8,235	6,356	5,213
Net Fixed Assets	12,617	12,270	11,596	10,700	9,056
Investments	5,211	5,263	4,442	4,040	2,412
Deferred Tax Liability	(1,341)	(1,392)	(1,543)	(1,392)	(1,575)
Miscellaneous Expenses	—	—	—	—	33
Total Assets	25,100	25,076	22,730	19,704	15,139
Financed By					
Share Capital	939	939	939	939	939
Reserves & Surplus	14,768	13,097	11,227	10,307	8,955
Capital Grants and Subsidies	3	4	5	103	103
Borrowings	9,389	11,035	10,559	8,356	5,142
Total Liabilities	25,100	25,076	22,730	19,704	15,139
Earning per share (Rs.)	21.88	28.32	12.26	12.53	17.74
Book Value (Rs.)	167	149	129	120	105
Debt Equity Ratio	0.60	0.79	0.87	0.74	0.51



Venky's (India) Limited

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the members of the Company will be held on Thursday, the 25th June, 2009 at 10.30 a.m. at Best Western The Pride Hotel, 5, University Road, Shivaji Nagar, Pune 411005 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended as on that date together with the Auditor's Report and Directors' Report thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. C. Jagapati Rao, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. B.G. Deshmukh, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

By order of the Board of Directors

Pune
May 8, 2009

A.G. BAUSKAR
Company Secretary

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NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER. THE PROXY FORM IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A brief profile of Directors retiring by rotation and being eligible for reappointment is given in the report of Corporate Governance, which forms part of Directors' Report and shareholders are advised to refer to the same.
3. The Register of Members of the Company will remain closed from 16th June, 2009 to 25th June, 2009 (both days inclusive).
4. The dividend as recommended by the Board of Directors, if declared at the meeting, be paid to those shareholders or their mandate(s), whose names appear on the Register of Members of the Company as on 25th June, 2009 and in respect of shares held in electronic mode, as beneficial owners in the record of the Depositories as on 25th June, 2009.
5. In case of dematerialisation of shares, the dividend payment shall be made through ECS, wherever relevant bank account details are made available by NSDL and CDSL.
6. In order to provide protection against fraudulent encashment of dividend warrants, Members are requested to provide their bank account number, name and address of the bank / branch to M/s. Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company, in respect of shares held in physical mode and to their respective Depository Participants for demat mode to enable them to incorporate the same in the dividend warrant.
7. Shareholders may avail Electronic Clearing Service (ECS) for receiving direct credit of dividend to their respective accounts with Banks. This will enable expeditious credit of dividend amount and protect from loss, theft and postal delay of dividend warrants.
8. Members are requested to notify immediately change in their address to M/s. Bigshare Services Private Limited, Registrar and Transfer Agent of the Company. Members holding shares in demat form should inform this to their respective Depository Participants.
9. Members holding shares in identical order or names in more than one folio are requested to write to the Company for consolidation and send relevant share certificates for consolidation.
10. Members desiring any information on Accounts are requested to write to the Company so as to reach atleast ten days before the meeting to enable the Company to keep the information ready at the meeting.
11. Members/ Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled-in for attending the meeting.
12. Pursuant to Section 205A & 205C of the Companies Act, 1956, any money transferred to the unpaid dividend account which remains unclaimed for seven years from the date of such transfer shall be transferred by the Company to a Fund called "Investor Education and Protection Fund" set up by the Central Government. Accordingly, the unclaimed dividend in respect of dividend declared on 24.9.2001 for the financial year 2000-01 has been transferred to the "Investor Education and Protection Fund". The unclaimed dividend for the financial year 2001-02 onwards will become transferable at the end of seven years from the respective dates of transfer of such amount to the unclaimed dividend account of the Company to the said Investor Education and Protection Fund and no claims shall lie against the Fund or the Company in respect of individual amounts thereafter. Shareholders are, therefore, requested to check and send their claims, if any, for the relevant financial years from 2001-02 onwards before the respective amounts become due for transfer to the above fund.

By order of the Board of Directors

Pune
May 8, 2009

A.G. BAUSKAR
Company Secretary



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