



**34TH
ANNUAL REPORT 2009-10**



VENKY'S (INDIA) LIMITED



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

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

"The poultry industry must become self-supporting and self-reliant through better productivity, scientific management and an organised marketing effort."

"Venkateshwara Hatcheries has earned this leadership position because of our extra-ordinary standards in quality service and absolute integrity."

"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."

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

"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."

Padmashree Dr. B. V. Rao



A Message From The Chairperson

Dear Shareholders,

Greetings of the Season !

I take pleasure in presenting you with a brief review of the performance of Venky's (India) Limited in 2009-10 and a general scenario of the poultry sector in India.

Financial year 2009-10 has been an eventful year for Venky's. During this year we saw that the Company has done well and there has been a growth in sales turnover and profits. The year started with a stable outlook for the poultry industry and your Company in particular and ended on a satisfactory note.

During this year, several measures were taken to improve the overall performance of the Company. These range from launching a new design for Venky's logo, introduction of state-of-the-art consumer friendly packaging for processed chicken products, improvement in distribution network of Venky's products and steps to enhance operational efficiency in all segments. These measures have positively impacted the financial performance of the Company.

The success of the VH Group can be attributed to the commitment to high quality product portfolio and the dedicated round the clock after sales service, foundation for which had been laid by our beloved Late Chairman Padmashree Dr. B.V. Rao. Thanks to the creation of a strong infrastructure and farsighted vision of our Late Chairman, we are able to maintain the steady growth of the poultry industry. As you all are aware, the poultry industry continues to be a key player in providing a source of affordable and nutritious food, especially in these days of rising prices of food products. The industry has vast potential to grow into a major contributor to the Indian economy in the foreseeable future. As we have been repeatedly emphasising, the vast gap between our present per capita consumption (53 eggs and 3.2 kg. of poultry meat) and National Institute of Nutrition (NIN) recommended level (180 eggs and 11 kg of poultry meat) offers great opportunity for the growth of poultry industry in the future.

Coming back to performance of Venky's (India) Limited, while the Company performed well in the year 2009-10, we continue to direct our efforts in not only maintaining the good performance in 2010-11 but also look for opportunities to improve the same thereby ensuring better returns to the shareholders.

My best wishes to you and your families.

Anuradha J. Desai
Chairperson



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. Jagapati 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

Sudit K. Parekh & Co.
Chartered Accountants
Ballard House, 2nd floor, Adi Marzaban Path,
Ballard Pier, Fort, Mumbai-400 001.
Tel. : 022-66178000

REGISTRAR AND SHARE TRANSFER AGENTS

Bigshare Services Private Limited
E-2, Ansa Industrial Estate
Sakivihar Road, Sakinaka
Andheri (East), Mumbai-400 072.
Tel. : 022-28470652-53, 40430200

CIN - L01222PN1976PLC017422

REGISTERED AND CORPORATE OFFICE

“Venkateshwara House”
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Celebrating
25 years

Enjoy!



chicken
meatballs



vienna
sausages



Ready-to-Eat Chicken



Chicken Samosa



Fry & Serve

Tantalize your taste buds with crisp, tangy samosas. Deep fry the frozen samosas in hot oil, for 7 to 8 minutes or till golden brown. Serve with mint chutney.

Chicken Lollipop



Authentic Chinese style Lollipops, marinated with all the required seasoning. Thaw the product, then deep fry in hot oil for 5 to 6 minutes or till reddish brown. Serve with Tomato Ketchup or Hot Garlic Sauce.



Get the pleasure of fast food in the convenience of your home. Deep fry the frozen patty in oil, till golden brown. Serve the patty with buttered burger, mustard sauce and tomato ketchup.

Chicken Nuggets



chicken Nuggets

The all time favourite product of one and all. Deep fry the frozen nuggets in hot oil, for 3 to 5 minutes or till golden brown. Serve with tomato ketchup or spicy dip.

Heat & Serve

An enjoyably 'Masaledar' product made using bonless chicken. Heat in a pan or in a microwave and it is ready to eat with chapati / roti / bread or rice.

Murg Masala



Bonless Chicken prepared using a traditional Punjabi recipe. Heat in a pan or in microwave.

Chicken Kheema



A chicken mince seasoned with the perfect Indian spices. Heat in a pan or in a microwave and serve with Pav.

Chicken Sheek kabab



chicken sheek kabab

Perfectly spiced kababs made from chicken meat. Thaw the product and shallow fry in a pan until brown. Serve with mint chutney.



FINANCIAL HIGHLIGHTS

(Rs. In Lakhs)

PARTICULARS	2009-10	2008-09	2007-08	2006-07	2005-06
OPERATING RESULTS					
Turnover & Other Income	71,066	57,526	52,838	41,688	38,377
Material Cost	45,007	38,224	32,940	26,042	23,070
Personnel Cost	4,374	4,099	3,774	3,302	2,918
Interest	504	788	872	483	317
Other Expenses	12,055	10,450	10,243	9,314	9,677
Depreciation	898	862	827	734	617
Provision for decline in Value of Investments	—	—	—	—	—
Provision for Contingencies Written back	—	—	—	—	—
Profit Before Tax	8,229	3,103	4,182	1,814	1,779
Profit After Tax	5,432	2,056	2,661	1,152	1,177
Dividend (In Rs. per Equity Share)	4.00	3.50	3.50	3.00	2.00
FINANCIAL SUMMARY					
Assets Employed					
Current Assets	15,948	14,708	14,684	13,450	10,899
Current Liabilities	6,317	6,095	5,750	5,215	4,543
Net Current Assets	9,630	8,613	8,934	8,235	6,356
Net Fixed Assets	13,352	12,617	12,270	11,596	10,700
Investments	8,131	5,211	5,263	4,442	4,040
Deferred Tax Liability	(1,458)	(1,341)	(1,392)	(1,543)	(1,392)
Miscellaneous Expenses	—	—	—	—	—
Total Assets	29,655	25,100	25,075	22,730	19,704
Financed By					
Share Capital	939	939	939	939	939
Reserves & Surplus	19,721	14,768	13,097	11,227	10,307
Capital Grants and Subsidies	3	3	4	5	103
Borrowings	8,992	9,389	11,035	10,559	8,356
Total Liabilities	29,655	25,100	25,075	22,730	19,704
Earning per share (Rs.)	57.83	21.89	28.33	12.26	12.53
Book Value (Rs.)	220	167	149	129	120
Debt Equity Ratio	0.44	0.60	0.79	0.87	0.74



FINANCIAL HIGHLIGHTS

(Rs. In Lakhs)

PARTICULARS	2004-05	2003-04	2002-03	2001-02	2000-01
OPERATING RESULTS					
Turnover & Other Income	34,752	31,231	30,076	26,643	22,563
Material Cost	19,341	18,496	18,439	15,778	14,588
Personnel Cost	2,635	2,302	2,190	2,057	1,753
Interest	344	408	437	462	576
Other Expenses	9,348	7,186	7,501	6,199	3,914
Depreciation	602	624	575	527	487
Provision for decline in Value of Investments	—	—	—	—	11
Provision for Contingencies Written back	(200)	—	—	—	—
Profit Before Tax	2,683	2,215	933	1,620	1,234
Profit After Tax	1,667	1,614	768	1,081	864
Dividend (In Rs. per Equity Share)	3.50	3.50	3.00	4.00	4.00
FINANCIAL SUMMARY					
Assets Employed					
Current Assets	9,436	10,087	9,203	8,287	6,997
Current Liabilities	4,223	4,227	3,941	3,592	2,859
Net Current Assets	5,213	5,860	5,261	4,695	4,138
Net Fixed Assets	9,056	8,948	9,326	8,071	8,084
Investments	2,412	1,033	506	718	395
Deferred Tax Liability	(1,575)	(1,469)	(1,392)	(1,535)	—
Miscellaneous Expenses	33	67	100	—	—
Total Assets	15,139	14,439	13,802	11,949	12,615
Financed By					
Share Capital	939	939	975	1,027	770
Reserves & Surplus	8,955	7,663	6,589	6,260	7,394
Capital Grants and Subsidies	103	98	96	97	77
Borrowings	5,142	5,739	6,142	4,565	4,374
Total Liabilities	15,139	14,439	13,802	11,949	12,615
Earning per share (Rs.)	17.75	17.18	7.88	10.53	11.22
Book Value (Rs.)	105	92	78	71	106
Debt Equity Ratio	0.51	0.66	0.80	0.63	0.53



Celebrating
25 years

chicken
franks



chicken
sheek kabab



murg
masala



chicken
cutlets



chicken
fingers

