

## FORM A

(Pursuant to Clause 31 of the Listing Agreement)

|   |                                                |                             |
|---|------------------------------------------------|-----------------------------|
| 1 | Name of the Company                            | Venky's (India) Limited     |
| 2 | Annual Financial Statements for the year ended | 31 <sup>st</sup> March 2015 |
| 3 | Type of Audit Observation                      | Unqualified                 |
| 4 | Frequency of Observation                       | Not Applicable              |

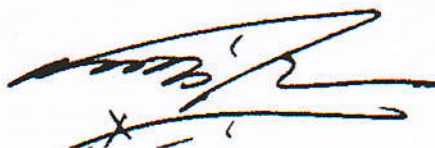
For Sudit K. Parekh & Co.  
Chartered Accountants


Ch. Soma Raju  
Partner  
Membership No.: 200354

25 AUG 2015

For Venky's (India) Limited



B. Balaji Rao  
Managing Director  
DIN: 00013551



Lt. Col. (Retd.) Ashok Mahajan  
Audit Committee Chairman  
DIN: 00017150



A. G. Bauskar  
Company Secretary &  
Chief Financial Officer  
Membership No.: F1953



**39TH**  
**ANNUAL REPORT 2014-15**



**VENKY'S (INDIA) LIMITED**



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

*"VH Group has earned this leadership position because of our extraordinary high 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."*

*"My group is passionately committed in bringing quality and technology to the Indian Poultry Industry."*

*"To succeed in any business one must have a firm commitment and an affinity for the business – more so in the poultry business. Making money, though welcome, should not be the sole criteria."*

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

*"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*



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## *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 2014-15 and a general scenario of the poultry industry in India.

For the financial year ended 31<sup>st</sup> March, 2015 though the company's sales turnover was similar to that of the previous year, the profitability was lower due to high cost of feed ingredients and lower realizations from sale of day old chicks and grown up birds. The performance of the Animal Health Products segment continued to be satisfactory. The oilseed segment's performance was affected due to lower realizations.

Various expansion programmes of the Company initiated during the last two years i.e. to augment capacities in poultry and poultry products segment and setting up a new plant for processing of soya seeds have been completed during the year ended 31<sup>st</sup> March, 2015. Steady progress is made as regards setting up of Venky's XPRS outlets at various locations. I, therefore, anticipate that the overall performance of Venky's would be better for the financial year 2015-16. However, any steep increase in the prices of maize and soya – the key raw materials for poultry feed – due to poor monsoon may affect the profit margins.

In spite of the challenging environment we are able to maintain the steady growth of the poultry industry, thanks to the creation of high quality infrastructure, continuous focus on quality and the very high standards of customer service and the farsighted vision of our Late Chairman Padmashree Dr. B.V. Rao. We are successfully maintaining the competitive edge in a steadily growing market and I see tremendous potential for manifold growth for this industry for several years in future.

I wish you and your family all the best.

**Anuradha J. Desai**  
Chairperson



## BOARD OF DIRECTORS

|                                       |                  |   |                      |
|---------------------------------------|------------------|---|----------------------|
| Mrs. Anuradha J. Desai                | (DIN : 00012212) | — | Chairperson          |
| Mr. B. Venkatesh Rao                  | (DIN : 00013614) | — | Vice Chairman        |
| Mr. B. Balaji Rao                     | (DIN : 00013551) | — | Managing Director    |
| Mr. Jitendra M. Desai                 | (DIN : 00013533) | — | Director             |
| Mr. C. Jagapati Rao                   | (DIN : 00003425) | — | Independent Director |
| Lt. Col. Ashok Mahajan (Retd.)        | (DIN : 00017150) | — | Independent Director |
| Col. Surinder Kumar (Retd.)           | (DIN : 05202620) | — | Independent Director |
| Brig. Rajeshwar Singh Rathore (Retd.) | (DIN : 00992251) | — | Independent Director |
| Brig. Amrit Kapur (Retd.)             | (DIN : 06778401) | — | Independent Director |

## AUDIT COMMITTEE

|                                       |   |          |
|---------------------------------------|---|----------|
| Lt. Col. Ashok Mahajan (Retd.)        | — | Chairman |
| Mr. Jitendra M. Desai                 | — | Member   |
| Col. Surinder Kumar (Retd.)           | — | Member   |
| Brig. Rajeshwar Singh Rathore (Retd.) | — | Member   |
| Brig. Amrit Kapur (Retd.)             | — | Member   |

## STAKE HOLDERS RELATIONSHIP COMMITTEE

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

## NOMINATION AND REMUNERATION COMMITTEE

|                                |   |             |
|--------------------------------|---|-------------|
| Mrs. Anuradha J. Desai         | — | Chairperson |
| Lt. Col. Ashok Mahajan (Retd.) | — | Member      |
| Col. Surinder Kumar (Retd.)    | — | Member      |

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

|                             |   |          |
|-----------------------------|---|----------|
| Mr. B. Venkatesh Rao        | — | Chairman |
| Mr. Jitendra M. Desai       | — | Member   |
| Col. Surinder Kumar (Retd.) | — | Member   |

## CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Mr. A. G. Bauskar

## BANKERS

State Bank of India  
IDBI Bank Ltd.  
ICICI Bank Ltd.  
HDFC Bank Ltd.  
Yes Bank Ltd.  
IFCI Ltd.  
Axis Bank Ltd.

## STATUTORY AUDITOR

M/s Sudit K. Parekh & Co.  
Chartered Accountants  
Ballard House, Adi Marzaban Path,  
Ballard Estate, Fort, Mumbai-400 001.  
Tel. : 022-66178000

## REGISTRAR AND SHARE TRANSFER AGENT

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

## SECRETARIAL AUDITOR

Mr. P.L. Shettigar  
Practicing Company Secretary  
Manek Hall,  
Premises Monaa Hotels Pvt. Ltd.  
Pune.  
Tel. No. : 9422026291

## COST AUDITOR

M/s Joshi Apte & Associates,  
Cost Accountants,  
"CMA PRIDE", Erandawana Housing  
Society, Erandawana, Pune – 411 004  
Tel. No. 020-25436408

## REGISTERED AND CORPORATE OFFICE

"Venkateshwara House"  
S.No. 114/A/2, Pune-Sinhagad Road,  
Pune - 411 030.  
Tel. : 020-24251530 to 41  
Fax : 020-24251077

**CIN** - L01222PN1976PLC017422



## FINANCIAL HIGHLIGHTS

(Rupees In Lacs)

| PARTICULARS                                 | 2014-15  | 2013-14  | 2012-13  | 2011-12 | 2010-11 |
|---------------------------------------------|----------|----------|----------|---------|---------|
| <b>OPERATING RESULTS</b>                    |          |          |          |         |         |
| Turnover & Other Income                     | 1,76,426 | 1,76,601 | 1,44,393 | 100,644 | 86,074  |
| Material Cost                               | 1,24,479 | 1,33,410 | 1,05,708 | 65,062  | 51,558  |
| Personnel Cost                              | 11,955   | 9,518    | 8,601    | 6,860   | 5,658   |
| Interest                                    | 7,106    | 4,171    | 2,237    | 1,311   | 455     |
| Other Expenses                              | 27,054   | 24,113   | 22,373   | 20,503  | 16,661  |
| Depreciation                                | 3,215    | 1,924    | 1,554    | 1,177   | 964     |
| Provision for Contingencies<br>Written back | —        | —        | —        | —       | —       |
| Exceptional items - Income                  | 155      | 1,053    | —        | —       | —       |
| Profit Before Tax                           | 2,772    | 4,517    | 3,920    | 5,719   | 10,775  |
| Profit After Tax                            | 1,870    | 3,404    | 2,478    | 4,105   | 7,303   |
| Dividend (In Rs. per Equity Share)          | 5.00     | 5.00     | 5.00     | 5.00    | 5.00    |
| <b>FINANCIAL SUMMARY</b>                    |          |          |          |         |         |
| <b>Assets Employed</b>                      |          |          |          |         |         |
| Current Assets                              | 71,071   | 62,521   | 45,970   | 32,536  | 21,077  |
| Current Liabilities                         | 76,939   | 59,410   | 35,119   | 20,423  | 7,554   |
| Net Current Assets                          | (5,868)  | 3,111    | 10,851   | 12,112  | 13,522  |
| Net Fixed Assets                            | 48,530   | 46,885   | 31,320   | 24,346  | 17,599  |
| Investments                                 | 6,153    | 5,208    | 3,308    | 3,733   | 9,278   |
| Deferred Tax Liability                      | (2,456)  | (2,364)  | (2,072)  | (1,723) | (1,530) |
| Other Non Current Assets                    | 16,285   | 7,826    | 5,613    | 2,851   | —       |
| Miscellaneous Expenses                      | —        | —        | —        | —       | —       |
| Total Assets                                | 62,644   | 60,665   | 49,019   | 41,320  | 38,870  |
| <b>Financed By</b>                          |          |          |          |         |         |
| Share Capital                               | 939      | 939      | 939      | 939     | 939     |
| Reserves & Surplus                          | 36,203   | 35,841   | 32,802   | 30,639  | 26,478  |
| Capital Grants and Subsidies                | —        | —        | —        | —       | —       |
| Borrowings                                  | 25,502   | 23,886   | 15,278   | 10,303  | 11,452  |
| Total Liabilities                           | 62,644   | 60,665   | 49,019   | 41,882  | 38,870  |
| Earning Per Share (Rs.)                     | 19.91    | 36.25    | 26.39    | 43.72   | 77.76   |
| Book Value per share (Rs.)                  | 395.48   | 391.62   | 359      | 336     | 291     |
| Debt Equity Ratio                           | 0.69     | 0.65     | 0.45     | 0.33    | 0.42    |
| Share Price ** High                         | 640.00   | 594.95   | 621.50   | 757.00  | 1012.40 |
| Low                                         | 322.00   | 390.00   | 322.05   | 363.00  | 336.05  |
| No. of Employees                            | 5,288    | 4,418    | 4,090    | 4,343   | 3,728   |

Note: Previous year's figures have been regrouped wherever necessary in financials of FY-2013-14 and accordingly changed here

\*\* Source : www.bseindia.com



## FINANCIAL HIGHLIGHTS

(Rupees In Lacs)

| PARTICULARS                        | 2009-10 | 2008-09 | 2007-08 | 2006-07 | 2005-06 |
|------------------------------------|---------|---------|---------|---------|---------|
| <b>OPERATING RESULTS</b>           |         |         |         |         |         |
| 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 Contingencies        | —       | —       | —       | —       | —       |
| Written back                       | —       | —       | —       | —       | —       |
| Exceptional items - Income         | —       | —       | —       | —       | —       |
| 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    |
| <b>FINANCIAL SUMMARY</b>           |         |         |         |         |         |
| <b>Assets Employed</b>             |         |         |         |         |         |
| 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) |
| Other Non Current Assets           | —       | —       | —       | —       | —       |
| Miscellaneous Expenses             | —       | —       | —       | —       | —       |
| Total Assets                       | 29,655  | 25,100  | 25,075  | 22,730  | 19,704  |
| <b>Financed By</b>                 |         |         |         |         |         |
| 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 per share (Rs.)         | 220     | 167     | 149     | 129     | 120     |
| Debt Equity Ratio                  | 0.44    | 0.60    | 0.79    | 0.87    | 0.74    |
| Share Price ** High                | 371.00  | 174.00  | 288.00  | 151.00  | 227.25  |
| Low                                | 73.00   | 65.05   | 100.00  | 88.00   | 70.00   |
| No. of Employees                   | 3,084   | 3,335   | 3,566   | 3,095   | 3,079   |

\*\* Source : www.bseindia.com



## Locations of Units of Venky's (India) Limited





## Locations of Units of Venky's (India) Limited

- **Pune, Maharashtra**  
Breeder Farms  
Specific Pathogen Free Egg  
Poultry Feed  
Animal Health Products  
Chicken Processing  
Commercial Farms
- **Solapur, Maharashtra**  
Solvent Extraction and Refinery  
Poultry Feed
- **Nanded, Maharashtra**  
Solvent Extraction and Refinery
- **Anand, Gujarat**  
Breeder Farm and Hatchery
- **Dehradun, Uttarakhand**  
Breeder Farms  
Hatchery and Poultry Feed
- **Allahabad, Uttar Pradesh**  
Breeder Farms  
Hatchery and Poultry Feed  
Commercial Farms
- **Sunderpur, Uttar Pradesh**  
Breeder Farms
- **Jasmour, Uttar Pradesh**  
Breeder Farms
- **Basti, Uttar Pradesh**  
Hatchery
- **Sonepat, Haryana**  
Breeder Farms and Hatchery
- **Panipat, Haryana**  
Breeder Farms, Hatchery
- **Ambala, Haryana**  
Breeder Farms, Hatchery,  
Poultry Feed  
Commercial Farms
- **Hissar, Haryana**  
Commercial Farms
- **Hansi, Haryana**  
Commercial Farms
- **Kurukshetra, Haryana**  
Commercial Farms
- **Kaithal, Haryana**  
Commercial Farms
- **Yamuna Nagar, Haryana**  
Commercial Farms
- **Tohana, Haryana**  
Commercial Farms
- **Ludhiana, Punjab**  
Breeder Farms  
Hatchery and Commercial Farms  
Packaging Unit
- **Hoshiapur, Punjab**  
Breeder Farms  
Hatchery and Commercial Farms
- **Gurudaspur, Punjab**  
Commercial Farms
- **Pathankot, Punjab**  
Commercial Farms
- **Batala, Punjab**  
Commercial Farms
- **Sangrur, Punjab**  
Commercial Farms
- **Patiala, Punjab**  
Commercial Farms
- **Barnala, Punjab**  
Commercial Farms
- **Rewa, Madhya Pradesh**  
Breeder Farms and Hatchery
- **Kangra, Himachal Pradesh**  
Hatchery
- **Nalagarh, Himachal Pradesh**  
Breeder Farms and Hatchery
- **Una, Himachal Pradesh**  
Commercial Farms
- **Kathua, Jammu & Kashmir**  
Hatchery
- **Mujjafarpur, Bihar**  
Hatchery
- **Arrah, Bihar**  
Hatchery
- **Palsana, Rajasthan**  
Commercial Farms
- **Chirwa, Rajasthan**  
Commercial Farms



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## IMPORTANT COMMUNICATION TO SHAREHOLDERS

Following are the Company's recommendations to its shareholders:

### **Green Initiative**

We seek the support of our shareholders in helping us saving our environment by registering their email id with the company for receiving all the communication i.e. Annual Report, various notices etc. through email as permitted by the law. Investors willing to avail the electronic mode of communication shall register their email id by filling and sending the form appearing on page no. 108 of this annual report.

### **Open demat account and dematerialise your shares**

Members are requested to convert their physical shares into demat form. Holding shares in demat form helps investors to get immediate transfer of shares. No stamp duty is payable on transfer of shares held in demat form and risk associated with physical certificates such as forged transfer, loss of share certificate or torn certificates are avoided.

### **Consolidate multiple folios**

Members holding shares in identical order or names in more than one folio are requested to write to the company to consolidate their shares and send relevant share certificates for consolidation. This would facilitate the member in one point tracking of his/her holding and corporate benefits.

### **Appoint a Nominee**

Investors are requested to appoint a nominee for their shareholding. Nomination would help the nominees to get the shares transmitted in their name without any hassles. Investor should register their nomination in case of physical shares with the Registrar and Share Transfer Agent of the Company i.e. M/s Bigshare Services Private Limited and in case of demat holding with their respective Depository participant.

(Form on Page No.108)

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**Venky's (India) Limited**

Registered office : Venkateshwara House, Sinhagad Road, Pune - 411 030

CIN: L01222PN1976PLC017422

Telephone : (020) 2425 1530 to 41

Website : [www.venkys.com](http://www.venkys.com)

Email: [corp.shares@venkys.com](mailto:corp.shares@venkys.com)

**NOTICE OF THE 39<sup>TH</sup> ANNUAL GENERAL MEETING**

To

The Members of Venky's (India) Limited

**Notice** is hereby given that the 39<sup>th</sup> Annual General Meeting (AGM) of the members of Venky's (India) Limited will be held on Wednesday, 16<sup>th</sup> September, 2015 at 10.30. a.m. at Hotel Le Meridian, Raja Bahadur Mill Road, Near Pune Railway Station, Pune 411001 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss 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 Mrs. Anuradha J. Desai (holding DIN 00012212), who retires by rotation and being eligible offers herself for re-appointment.
4. To ratify appointment of Auditors and to pass the following resolution thereof:

"Resolved that pursuant to provisions of section 139 of the Companies Act, 2013 (as amended or re-enacted from time to time) and the Rules made thereunder, and pursuant to the recommendations of the Audit Committee, appointment of M/s Sudit K Parekh & Co, Chartered Accountants, (having registration no 110512W), as the auditors of the Company in the 38<sup>th</sup> Annual General Meeting of the Company be and is hereby ratified and that the Board of Directors be and are hereby authorized to fix such remuneration as may be recommended by the audit committee in consultation with the auditors."

**SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

"Resolved that pursuant to provisions of section 148 of the Companies Act, 2013 (as amended or re-enacted from time to time) and the Rules made thereunder, remuneration not exceeding Rs.3,00,000/- (Rupees Three Lacs Only) (exclusive of taxes and incidental expenses) be and is hereby approved to be payable to M/s Joshi Apte & Associates, Cost Accountants, in respect of cost audit of the Company for the financial year 2015-16, on such terms and conditions as may be agreed upon between the cost auditor and the Board of Directors."

By order of the Board of Directors

Pune  
May 29, 2015

**A. G. Bauskar**  
Company Secretary  
Membership No: F1953



## Venky's (India) Limited

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### NOTES :

- a. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto. The information pursuant to Clause 49 of the Listing Agreement, in respect of item no.3 in respect of Director seeking re-appointment at the AGM is given in the Report of Corporate Governance, which forms part of Directors' Report and members are advised to refer to the same.
- b. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- c. PURSUANT TO THE PROVISIONS OF SECTION 108 OF THE COMPANIES ACT, 2013 AND RULE 20 & RULE 21 OF COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, THE COMPANY IS PLEASED TO PROVIDE ITS MEMBERS THE ELECTRONIC FACILITY TO EXERCISE THEIR RIGHT TO VOTE IN RESPECT OF BUSINESS MENTIONED IN THE NOTICE. THE BUSINESS AT THE AGM MAY BE TRANSACTED THROUGH E-VOTING SERVICES PROVIDED BY CENTRAL DEPOSITORY SERVICES LIMITED (CDSL). IT IS HEREBY CLARIFIED THAT IT IS NOT MANDATORY FOR A MEMBER TO VOTE USING THE E-VOTING FACILITY, AND A MEMBER MAY AVAIL OF THE FACILITY AT HIS/ HER/IT'S DISCRETION. THE INSTRUCTIONS AS REGARDS AVAILING E-VOTING FACILITY IS ANNEXED.
- d. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
- e. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days notice in writing is given to the Company.
- f. Members/ proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
- g. The Register of Members and Share Transfer Books will remain closed from 31<sup>st</sup> August, 2015 to 4<sup>th</sup> September, 2015 (both days inclusive) for the purpose of payment of final dividend for the financial year ended on 31<sup>th</sup> March, 2015.
- h. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on 4<sup>th</sup> September, 2015.
- i. Members 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.
- j. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents viz. M/s Bigshare Services Private Limited, E-2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai -400 072, Telephone: (022) 40430200.
- k. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. S Kannan, Assistant General Manager – Secretarial or Mr. Rohan Bhagwat, Assistant Company Secretary, at the Company's registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund.
- l. The Company encourages members to intimate / update their e-mail addresses to receive the Annual Report and other communication electronically in support of the "Go Green" initiative of the Ministry of Corporate Affairs (MCA). Members holding shares in demat may please update their e-mails with the respective depository participant. At the option of the member, the Company will send all communication including the Annual Report via e-mail to the members who have provided their e-mail addresses to the

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Company / Depositories and physical copies of the aforesaid documents are being sent by the permitted mode.

- m. Members may also note that, additionally, the Notice of 39<sup>th</sup> AGM and the Annual Report will be available on the Company's website [www.venkys.com](http://www.venkys.com).
- n. MEMBERS REQUIRING INFORMATION ON THE AUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015 AND THE BALANCE SHEET AS AT THAT DATE ARE REQUESTED TO WRITE TO THE COMPANY AT LEAST SEVEN (7) DAYS BEFORE THE DATE OF THE MEETING TO ENABLE THE COMPANY TO FURNISH THE INFORMATION.
- o. Members/ Proxies/ Representatives are requested to bring their copy of the Annual Report, attendance slip enclosed to the Notice for attending the AGM.
- p. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar and Transfer Agent.
- q. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
- r. Members are requested to convert their physical shares into demat form. Holding shares in demat form helps investors to get immediate transfer of shares.
- s. Members holding shares in identical order or names in more than one folio are requested to write to the company to consolidate their shares and send relevant share certificates for consolidation. This would facilitate the member in one point tracking of his/her/it's holding and corporate benefits.
- t. All the documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.



Venky's (India) Limited

## Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013

### Item no. 5

Section 148 of the Companies Act, 2013 read with Rules made thereunder requires certain class of companies to get its cost accounts audited by qualified cost accountant who is member of Institute of Cost Accountants of India and engaged in Wholetime practice. Appointment of such cost auditor has to be made by the Board of Directors at the recommendation of Audit Committee and remuneration payable to him is subject to ratification by the members of the Company. Accordingly, the Board of Directors has appointed M/s Joshi Apte & Associates, Cost Accountants and remuneration payable to them is put up for members ratification.

M/s. Joshi Apte & Associates, Cost Accountants, does not hold any shares in the Company and is not related with any other Director of the Company.

The Shareholders' approval is solicited for the resolution at Item No. 5 of the accompanying Notice as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel, or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No.5 of the Notice.

By order of the Board of Directors

Pune  
May 29, 2015

**A. G. Bauskar**  
Company Secretary  
Membership No: F1953

## Shareholder Instructions for e-voting

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Saturday, 12<sup>th</sup> September, 2015 at 9.00 a.m. and ends on Tuesday, 15<sup>th</sup> September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, 9<sup>th</sup> September, 2015 at may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN                                                        | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul> |
| Dividend Bank Details <b>OR</b> Date of Birth (DOB)        | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>                                                                                                                                                                                                                                                                                          |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



## Venky's (India) Limited

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- (xii) Click on the EVSN for Venky's (India) Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com), or contact CDSL e-Voting Helpdesk on 18002005533 (toll free).

## DIRECTORS' REPORT

The Shareholders,

Your Directors have pleasure in presenting the Thirty Ninth Annual Report and audited accounts for the financial year ended 31<sup>st</sup> March 2015.

### FINANCIAL SUMMARY

(Rs. in Lacs)

| Description                                                            | 2014-15  | 2013-14  |
|------------------------------------------------------------------------|----------|----------|
| Revenue from Operations (Net)                                          | 1,73,081 | 1,73,612 |
| Operating Expenditure                                                  | 1,63,175 | 1,67,011 |
| Depreciation                                                           | 3,215    | 1,924    |
| Operating Profit                                                       | 6,691    | 4,677    |
| Finance Costs                                                          | 7,419    | 4,260    |
| Exceptional Items<br>(Depreciation/ Profit on sale of<br>Fixed Assets) | 155      | 1,053    |
| Other Income                                                           | 3,345    | 2,989    |
| Profit Before Tax                                                      | 2,772    | 4,517    |
| Provision for Tax                                                      | 902      | 1,112    |
| Tax adjustment in respect of<br>earlier years                          | —        | —        |
| Profit for the year                                                    | 1,870    | 3,404    |
| Amount available for<br>appropriation                                  | 6,836    | 7,515    |
| <b>Appropriations :</b>                                                |          |          |
| Transfer to General Reserve                                            | 2,000    | 2,000    |
| Proposed Dividend                                                      | 470      | 470      |
| Dividend Distribution Tax                                              | 96       | 80       |
| Net Surplus in the Statement of<br>Profit and Loss                     | 4,270    | 4,966    |

### OPERATIONS

For the year ended 31<sup>st</sup> March, 2015, the Company's sales turnover was at Rs. 1,73,081 lacs as against Rs. 1,73,612 lacs in the previous year. The profit before tax stood at Rs. 2,772 lacs as compared to Rs. 4,517 lacs in the previous year. During the year the cost of raw material like maize and soya de-oiled cake was on higher side and realizations from the sale of grown up broiler birds were on lower side.

During the year under review, the Poultry and Poultry Products Segment showed improved performance

as compared to the previous year. Performance of the animal health products segment was better as compared to the previous year. However, the performance of the oilseed segment was affected due to lower realizations.

### EXPANSION

All the expansion programmes of the Company i.e. to augment capacities in poultry and poultry products segment and setting up a new plant for processing of soya seeds have been completed during the year under review. Setting up of Venky's XPRS outlets at various locations is under way.

### DIVIDEND

Your Directors recommend a dividend of Rs. 5.00 per equity share (50%). The dividend, if approved at the ensuing Annual General Meeting, will absorb Rs. 470 lacs (previous year Rs. 470 lacs) plus taxes. Your Directors propose to transfer Rs. 2,000 lacs to the General Reserve.

### SEGMENT-WISE PERFORMANCE

Operational performance of each business segment has been comprehensively covered in the Management Discussion and Analysis Report given in Annexure-A which forms part of this Report.

### CORPORATE GOVERNANCE REPORT

As per the requirements of Clause 49 of the Listing Agreement a separate report on Corporate Governance along with the certificate issued by Company Secretary in Whole-Time Practice thereupon is given in Annexure-B which forms part of this Report.

### EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92 of the Companies Act, 2013 an extract of the Annual Return in Form MGT-9 is annexed to this report as Annexure C and forms of this report.

### MEETINGS OF BOARD

During the year 2014-15, five meetings of the Board of Directors were held. The dates on which the said meetings were held are as follows:

1) 12<sup>th</sup> May, 2014, 2) 29<sup>th</sup> May, 2014, 3) 11<sup>th</sup> August, 2014, 4) 12<sup>th</sup> November, 2014, 5) 11<sup>th</sup> February, 2015.



## Venky's (India) Limited

### DIRECTORS' RESPONSIBILITY STATEMENT

The Directors declare that :

1. the accounts for the year ended 31<sup>st</sup> March, 2015 have been prepared by following applicable accounting standards;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March, 2015 and of the profit of the Company for that year;
3. proper care has been taken for the maintenance of adequate records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
4. the accounts for the year ended 31<sup>st</sup> March, 2015 have been prepared on a going concern basis;
5. internal financial controls to be followed by the company are laid down and that such internal financial controls are adequate and are operating effectively; and
6. proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### BOARD OF DIRECTORS & THEIR COMMITTEES

- a. Changes in the Composition of Board of Directors.

As per the provisions of Companies Act, 2013 and Articles of Association of the Company, Mrs. Anuradha J. Desai, Director is due for retirement by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for reappointment. A brief profile of the retiring director is given in the Corporate Governance Report annexed to this report.

Apart from the above, there is no change in the Board of Directors of the Company.

- b. Declaration from Independent Directors:

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received declarations from all the Independent Directors confirming that they meet the criteria of

independence as stipulated under sub section 6 of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

- c. Policy relating to the remuneration for directors, key management personnel & other employees.

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided in sub section 3 of Section 178 is available on the website of the Company at <http://www.venkys.com/Policy on Remuneration of Director, KMP etc.pdf>

- d. Annual evaluation by the Board of its own performance and that of its Committees.

The board annually performs the evaluation of its own performance, the Committees of the Board and that of individual directors. While carrying out such evaluation various aspects relating to the Board functioning such as adequacy of composition, level of diversity of the Board, execution of specific duties, governance etc. are considered. The same mechanism is applied while evaluating the performance of the Committees of the Board and additionally the fulfillment of duties and scope as stipulated by the Companies Act, 2013 and Listing Agreement is considered.

The performance evaluation of individual directors is carried considering factors like execution of specific assignments, effective contribution to the Board discussions and decisions, independence of judgment and steps taken towards proper governance of business and safeguarding interest of stakeholders.

- e. Familiarisation Programme of Independent Directors

The Company at selected intervals takes steps to familiarise its independent directors about their roles, rights and responsibilities. The details of such programme is available on the website of the Company at <http://www.venkys.com/Familiarisation Programme for ID.pdf>

- f. Audit Committee:

The Company has already formed Audit Committee as per Section 177 of the Companies Act 2013. Details of such committee is given in corporate

governance report which is annexed and forms part of this report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review the Company has not given any loans, guarantees or made investments under Section 186 of the Companies Act, 2013.

#### **RISK MANAGEMENT**

The Company has in place a risk management plan devised by the Board and focuses on three key elements i.e. Risk Assessment, Risk Management and Risk Monitoring. The Board therefore identifies elements of risk, focus on mitigating the risk as per the plan and monitor the same post execution.

#### **CORPORATE SOCIAL RESPONSIBILITY**

VH Group and in particular Venky's (India) Limited has been historically doing CSR activities concentrated on educational and medical services for the upliftment of the society. Your company has pursuant to Section 135 of the Companies Act, 2013 formed a CSR Committee. The Annual Report on CSR for the F.Y. 2014-15 is appended as Annexure D to this report. The policy on CSR is available on the website of the company at [http://www.venkys.com/CSR\\_Policy.pdf](http://www.venkys.com/CSR_Policy.pdf).

#### **INTERNAL FINANCIAL CONTROLS**

The internal control system is designed to ensure that all the financial and other records are reliable for preparing financial statements and for maintaining accountability of the assets. The Company has a proper and adequate system of internal controls.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Your company has established a Vigil Mechanism as per the provisions of the Companies Act, 2013 for the directors and employees to report genuine concerns. The Audit Committee overlooks this function. The details of vigil mechanism is available on the website of the Company at [http://www.venkys.com/VIGIL\\_MECHANISM.pdf](http://www.venkys.com/VIGIL_MECHANISM.pdf).

#### **DEPOSITS**

During the year under review the Company has neither accepted any deposits under Chapter V of the Companies Act, 2013 nor any such deposits remained unpaid or unclaimed.

#### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Pursuant to the provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Hence, no particulars are being provided in Form AOC - 2. However, Related Party disclosures as per AS -18 have been provided in Note no. 10 to the Financial Statements.

#### **ACCOUNTS**

The accounts read with the notes thereon are self-explanatory and hence do not call for any further comments.

#### **INSURANCE**

The assets of the Company which include buildings, sheds, machinery, stocks, etc. are adequately insured.

#### **PERSONNEL AND HUMAN RESOURCES**

Employee relations continued to be cordial throughout the year. The Company did not have any employee during the year under review whose remuneration is required to be disclosed in terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Further information as per said rule is appended to this report as Annexure E.

#### **AUDITORS**

M/s. Sudit K. Parekh & Co., Chartered Accountants, were appointed in the 38<sup>th</sup> Annual General Meeting and their appointment is liable for ratification in the ensuing Annual General Meeting.

#### **SECRETARIAL AUDITOR**

Pursuant to Section 204 of the Companies Act, 2013 and allied rules thereof, the Board of Directors has appointed Mr. P. L. Shettigar, Practicing Company Secretary as Secretarial Auditor for conducting the audit for the financial year 2014-15. The Secretarial Audit report issued by Mr. Shettigar is appended as Annexure F and forms part of this report. The Secretarial Audit report does not contain any qualification, reservation or adverse remark.



## COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Rules, 2014 the Company has appointed M/s. Joshi Apte & Associates, Pune as Cost Auditors of the Company for conducting cost audit for the financial year 2015-16. Further, as per sub section (3) of Section 148 of the Companies Act, 2013 the remuneration decided between the Board of Directors and Cost Auditor is put before the members for their ratification in the ensuing Annual General Meeting. The Cost Audit for the financial year ended 31<sup>st</sup> March, 2015 is under process and the Company will submit the Cost Auditors' Report to the Central Government in time.

## INFORMATION UNDER SECTION 134 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

### A. Conservation of Energy

The operations of the Company are not very power intensive. Nevertheless, the Company continues its efforts to conserve energy wherever practicable, by economizing on the use of power at the farms, hatchery and offices. The Company has installed state-of-the-art hatchers and setters at its hatcheries.

### B. Technology Absorption

#### 1. Research and Development (R & D)

- a) Specific areas: R & D activities of the Company are concentrated in the areas of developing wider application of Specific Pathogen Free (SPF) eggs and application of various breeder management techniques to improve productivity and increase feed efficiency.
- b) Benefits derived : Wider acceptance of SPF eggs in the manufacture of human and livestock vaccines in India and higher production and increased feed efficiency of breeders.
- c) Plan of action : Further promotion of SPF eggs applications in the biological industry
- d) Expenditure on R & D : The expenditure incurred by the Company during the year on Research and Development was Rs. 69.49 Lacs.

## 2. Technology Absorption, Adaptation and Innovation

- a) Efforts made : The Company maintains continuous interaction with Charles River Laboratories Inc. (formerly SPAFAS Inc.), U.S.A for absorption of technology.
- b) Benefits :
  - i. Development of new application
  - ii. Savings in foreign exchange through import substitution.
- c) Technology Imported : SPF egg production and Reagent production technologies were imported from Charles River Laboratories Inc. The benefit of the ongoing research by them in the said technologies is being derived by the Company through continued association with them.

### C. Foreign Exchange Earnings and Outgo

1. Efforts have been made to increase exports of hatching eggs and SPF eggs.
2. Earnings and outgo:
  - a. Foreign exchange earnings (FOB): Rs. 213.25 lacs
  - b. Foreign exchange outgo: Rs. 1,353.75 lacs

## ACKNOWLEDGEMENT

The Directors place on record their appreciation for the excellent services of the employees at all the levels. The Company also expresses its thanks to its shareholders, bankers, Central and State Governments and district level authorities, Stock Exchanges, dealers and customers of the Company for their valued support.

For and on behalf of the Board of Directors

Pune  
May 29, 2015

**Anuradha J. Desai**  
Chairperson

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. Industry Structure and Development :

The world economy continues to grow at a moderate rate and recent data reflects marginal pick-up in growth in some advanced economies. On the domestic front, the Indian economy is now showing signs of transformation with expectations of policy initiatives being implemented. Various policy initiatives taken by the Government are expected to result in a significant growth in GDP. Indian GDP growth rate has been 7.3% for the year 2014-15 as compared to 6.9% in the previous year. Given this backdrop the poultry industry continued to grow at satisfactory rates.

The poultry industry is expected to maintain its growth rates in the coming years as well. Presently, the poultry industry is a Rs.95,000 crore industry that provides direct and indirect employment to 5.0 million people and also supports the economy of over 2 crore agricultural farmers, especially the maize and soya grower, dependent on this industry. 75% to 80% of the cost of production in the poultry industry consists of feed ingredients, like maize and soya. With an annual production of 67,000 million eggs, India ranks second in the world in egg production. The broiler production is estimated at 4 million tons of chicken meat and India ranks 3<sup>rd</sup> in the world.

### 2. Opportunities, Threats, Risks and Concerns:

The vast gap between our present per capita consumption (64 eggs and 3.5 kg. of meat) and National Institute of Nutrition (NIN) recommended level (180 eggs and 11 kg of meat) offers an excellent opportunity for the growth of poultry industry at least for the next two decades. Factors like increasing disposable income and rapid urbanization are expected to contribute to the growth in demand for poultry products.

However, lack of adequate cold storage facilities at key locations and retail infrastructure are the main reasons for slower than anticipated growth of the processing segment of poultry industry. Higher volatile behaviour of feed ingredients prices is also one of the concerns of the poultry industry.

### 3. Segmentwise Performance:

#### a. Poultry and Poultry Products

The Company's major business segment is poultry and poultry products which consists of production and sale of day old broiler and layer chicks, specific pathogen free eggs, processed chicken products and poultry feed. In 2014-15 this segment's turnover was Rs. 99,262 lacs as compared to Rs.1,00,172 lacs in the last year. The profit before tax and interest of this segment was Rs.7,149 lacs as compared to Rs.2,822 lacs in the previous year.

#### b. Animal Health Products

The Company has its animal health products manufacturing facility at Pune. This segment's sales turnover was Rs.14,160 lacs as compared to Rs.12,324 lacs. Profit before tax and interest was Rs. 1,986 lacs as against Rs.1,679 lacs in the last year.

#### c. Oilseed

This segment registered a sales turnover of Rs. 63,364 lacs as compared to Rs. 65,255 lacs last year. Profit before tax and interest was Rs. 1,426 lacs as against Rs. 2,968 lacs in the previous year.

### 4. Outlook

The outlook for the year 2015-16 is expected to be better as compared to the year ended 31<sup>st</sup> March, 2015.

### 5. Internal Control Systems and their adequacy

The internal control system is designed to ensure that all the financial and other records are reliable for preparing financial statements and for maintaining accountability of the assets. The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly.



Commensurate with the size of operation, your Company has Internal Audit department which continuously reviews the internal control system by an exclusive programme of Internal Audit. The significant findings are then discussed by the Audit Committee of Directors and corrective measures are initiated. The Audit Committee also monitors the implementation of recommendations made by it.

**6. Discussion on Financial Performance with respect to Operational Performance:**

For the year ended 31<sup>st</sup> March, 2015, the Company's sales turnover was at Rs. 1,73,081 lacs as against Rs. 1,73,612 lacs in the previous year. The profit before tax stood at Rs. 2,772 lacs as compared to Rs. 4,517 lacs in the previous year. During the year the cost of raw material like maize and soya de-oiled cake was on higher side and realizations from the sale of grown up broiler birds were on lower side.

The long term borrowings of the Company during the year increased by about 6% from Rs. 23,174 lacs to Rs. 24,612 Lacs. These funds were utilized for the expansion plans as well as for

general corporate purposes of the Company. The short term borrowings of the Company during the year were increased by about 32% from Rs. 35,599 lacs to Rs. 46,940 Lacs. Short term borrowings are being utilized for meeting operational expenditure and working capital requirements. Interest cost of the Company has increased by 74% from Rs. 4,260 lacs to Rs. 7,419 Lacs.

Keeping in view liquidity, returns and also safety, the Company has invested certain funds in bank deposit and debt/liquid schemes of mutual funds.

**7. Material Development in Human Resources/ Industrial Relations front, including number of people employed:**

In line with VH Group's corporate philosophy, the Human Resource is considered as the most valuable resource in the Company. The focus is on developing a performance culture with high standards of efficiency and innovation. Employee relations at all levels continue to remain cordial. As on 31<sup>st</sup> March, 2015 the Company has 5,288 employees.

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

### A. MANDATORY REQUIREMENTS

#### 1. Company's Philosophy on Code of Governance :

The Company is committed to benchmarking itself with the best in all areas including Corporate Governance. The Company's Philosophy of Corporate Governance is aimed at strengthening the confidence among shareholders, customers, employees and ensuring a long-term relationship of trust by maintaining transparency and disclosures. The Company believes in maintaining highest standards of quality and ethical conduct in all the activities of the Company.

#### 2. Board of Directors, Composition, No. of Board Meetings attended during the year :

##### (a) Composition and size of the Board.

As on 31<sup>st</sup> March, 2015 the Board consists of 9 Directors out of which 5 Directors are Independent Directors and 4 Directors are Non - Independent Directors.

Independent Directors are Non-executive Directors, who apart from receiving Director's Remuneration, do not have any other material pecuniary relationship or transactions with the Company, its promoters, its directors, its senior management or its associates, which, may affect the independence of the Director and who are not related to the promoters or senior management of the Company and who has not been an executive of the Company and who is not a partner or an executive of the statutory audit firm, internal audit firm, legal firm and consulting firm who is associated with the Company and who is not a material supplier, service provider or customer or a lessor or a lessee of the Company, which may affect the independence of the director and who is not a substantial shareholder of the company i.e. owning two percent or more of the block of voting shares.

##### (b) No. of Board Meetings held during the year along with the dates of the Meetings.

During the year 2014-15, five meetings were held. The dates on which the said meetings were held are as follows:

1) 12<sup>th</sup> May, 2014, 2) 29<sup>th</sup> May, 2014, 3) 11<sup>th</sup> August, 2014, 4) 12<sup>th</sup> November, 2014, 5) 11<sup>th</sup> February, 2015.

##### (c) Attendance of Directors:

Attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) and the number of Companies and Committees where he/she is Director/Member (as on the date of the Directors' Report)

| Name of Director of the Company | Category of Directorship | No. of Board Meetings Attended | Attendance at last AGM held on 27 <sup>th</sup> August, 2014 | No. of Directorships in other Public Companies | No. of Committee Positions [other than Venky's (India) Limited] in which Chairperson/Member |        |
|---------------------------------|--------------------------|--------------------------------|--------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------|--------|
|                                 |                          |                                |                                                              |                                                | Chairperson                                                                                 | Member |
| Mrs. Anuradha J. Desai          | Chairperson              | 5                              | Yes                                                          | 1                                              | 1                                                                                           | 1      |
| Mr. B. Venkatesh Rao            | Vice -Chairman           | 5                              | No                                                           | -                                              | -                                                                                           | 1      |
| Mr. B. Balaji Rao               | Managing Director        | 5                              | No                                                           | -                                              | -                                                                                           | 1      |
| Mr. Jitendra M. Desai           | Director                 | 5                              | Yes                                                          | -                                              | -                                                                                           | 2      |
| Mr. C. Jagapati Rao*            | Director                 | 4                              | No                                                           | 2                                              | -                                                                                           | -      |
| Col. Ashok Mahajan (Retd.)*     | Director                 | 5                              | Yes                                                          | -                                              | -                                                                                           | -      |



## Venky's (India) Limited

| Name of Director of the Company        | Category of Directorship | No. of Board Meetings Attended | Attendance at last AGM held on 27 <sup>th</sup> August, 2014 | No. of Directorships in other Public Companies | No. of Committee Positions [other than Venky's (India) Limited] in which Chairperson/Member |        |
|----------------------------------------|--------------------------|--------------------------------|--------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------|--------|
|                                        |                          |                                |                                                              |                                                | Chairperson                                                                                 | Member |
| Col. Surinder Kumar* (Retd.)           | Director                 | 5                              | Yes                                                          | -                                              | -                                                                                           | -      |
| Brig. Rajeshwar Singh Rathore* (Retd.) | Director                 | 5                              | Yes                                                          | -                                              | -                                                                                           | -      |
| Brig. Amrit Kapur* (Retd.)             | Director                 | 5                              | Yes                                                          | -                                              | -                                                                                           | -      |

\*Independent Directors

### No. of Equity Shares held by Non-Executive Directors as of 31<sup>st</sup> March, 2015:

| Name of the Director                  | No. of Equity Shares as of 31 <sup>st</sup> March, 2015 |
|---------------------------------------|---------------------------------------------------------|
| Mrs. Anuradha J. Desai                | 3,21,951                                                |
| Mr. B. Venkatesh Rao                  | 44,034                                                  |
| Mr. Jitendra M. Desai                 | 20,053                                                  |
| Mr. C. Jagapati Rao                   | 14,248                                                  |
| Lt. Col. Ashok Mahajan (Retd.)        | Nil                                                     |
| Col. Surinder Kumar (Retd.)           | Nil                                                     |
| Brig. Rajeshwar Singh Rathore (Retd.) | Nil                                                     |
| Brig. Amrit Kapur (Retd.)             | Nil                                                     |

### 3. Details of Directors being appointed or re-appointed :

As per the provisions of the Companies Act, 2013 and Articles 141 to 143 of the Articles of Association of the Company, Mrs. Anuradha J. Desai, Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered herself for re-appointment.

#### Brief profile of the Director proposed for appointment / re-appointment.

**Mrs. Anuradha J. Desai**, age 53 years, is a Director of the Company since 1988. She is the Chairperson and Managing Director of VH Group of Companies. She has been instrumental in consolidating the group's pre-eminent position in the Country's poultry sector. She has received many accolades, which include the "Udyog Rattan Award" by institute of Economic Studies - Delhi, "Best Women Entrepreneur Gold Award" from the Institute of Marketing Management and the "Best Woman Entrepreneur Award" from Yuva Bharati and Honorary Doctorate from Tamil Nadu University of Veterinary and Animal Sciences. Mrs. Anuradha J. Desai is the first woman to be elected as President of World Poultry Science Association (IB) for four years from 1996.

Mrs. Anuradha J. Desai is Chairperson and Managing Director of Venkateshwara Hatcheries Private Limited and Chairperson of Agrocorpex India Limited, Bharat Eggs Producers Association, National Egg Co-ordination Committee, Venco Research and Breeding Farm Private Limited, Venkateshwara Research and Breeding Farm Private Limited, Bala Industries and Entertainment Private Limited, and Centre for International Trade in Agriculture and Agro Based Industries and Director in Srivenk Investment and Finance Private Limited, B.V. Bio-Corp Private Limited, Uttara Masala Products Pvt Ltd, Eastern Hatcheries Private Limited, Uttara Foods and Feeds Private Limited, All India Poultry Development and Services Private Limited, Poultry Development Promotion Council, Uttara Hatcheries and Agri- Farms Private Limited, Uttara Poultry and Agri - Farms Private Limited, Uttara Biosciences Private Limited, Uttara Impex Private Limited, Uttara Bakers Private Limited, Padmavati Marbles Private Limited, Srivenk Biological Laboratories Private Limited and National Agricultural And Foods Analysis And Research

Institute. She is also a Director on overseas companies viz. Venky's (Middle East) FZCO, Uttara Foods and Feeds (Bangladesh) Ltd, Wayward Acres Inc., Venkys South Africa Pty Ltd., Venky's INC, Venky's Vietnam Co. Ltd, Venky's (London) Limited, Blue Ridge Avian Services Inc., Venky's XPRS UK Ltd, Uttara Impex Private LLC and Vice President of Venky's USA Inc.

Mrs. Anuradha J. Desai is Chairperson of "Stakeholders Relationship Committee", "Nomination and Remuneration Committee" and "Operations Committee" of Venky's (India) Limited and Chairperson of Committee of Directors of Venkateshwara Hatcheries Private Limited and member of Audit Committee of Srivenk Investments and Finance Private Limited.

#### 4. Audit Committee

##### (Terms of Reference, Composition, and Meetings held during the year.)

There were four meetings of the Audit Committee held during the year. The dates on which the said Audit Committee Meetings were held are as follows:

1) 29<sup>th</sup> May, 2014, 2) 11<sup>th</sup> August, 2014, 3) 12<sup>th</sup> November, 2014, 4) 11<sup>th</sup> February, 2015

The attendance of each Member of the Committee is given below:

| Name of Member                        | Number of Meetings attended |
|---------------------------------------|-----------------------------|
| Mr. Jitendra M. Desai                 | 4                           |
| Lt. Col. Ashok Mahajan (Retd.)        | 4                           |
| Col. Surinder Kumar (Retd.)           | 4                           |
| Brig. Rajeshwar Singh Rathore (Retd.) | 4                           |
| Brig. Amrit Kapur (Retd.)             | 4                           |

The Terms of Reference of this Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013 as applicable. .

The Audit Committee comprises of all the Non-Executive Directors. Lt. Col. Ashok Mahajan (Retd.), an Independent Director, is the Chairman of the Committee. Mr. Jitendra M. Desai, Col. Surinder Kumar (Retd.), Brig. Rajeshwar Singh Rathore (Retd.) and Brig. Amrit Kapur (Retd.) are the other members of the Committee. The Statutory Auditors and Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary is the Secretary of the Audit Committee.

#### 5. Remuneration to Directors

The remuneration of Directors is decided at the Board level and approval of the shareholders is obtained at a general meeting. The details of remuneration paid / payable to the Directors (including sitting fees paid for attending Board Meetings and Committee Meetings) during the financial year 2014-2015 are given below:

| Directors                             | Salary<br>(Rs.)  | Perquisites #<br>(Rs.) | Commission<br>Payable<br>(Rs.) | Sitting Fees<br>(Rs.) | Total<br>(Rs.)   |
|---------------------------------------|------------------|------------------------|--------------------------------|-----------------------|------------------|
| Mrs. Anuradha J. Desai                | -                | -                      | 1,25,000                       | 1,00,000              | 2,25,000         |
| Mr. B. Venkatesh Rao                  | -                | -                      | 1,25,000                       | 25,000                | 1,50,000         |
| Mr. B. Balaji Rao                     | 20,00,000        | 7,91,024               | 3,00,000                       | -                     | 30,91,024        |
| Mr. Jitendra M. Desai                 | -                | -                      | 1,25,000                       | 1,20,000              | 2,45,000         |
| Mr. C. Jagapati Rao                   | -                | -                      | 1,25,000                       | 20,000                | 1,45,000         |
| Lt. Col. Ashok Mahajan (Retd.)        | -                | -                      | 1,25,000                       | 45,000                | 1,70,000         |
| Col. Surinder Kumar (Retd.)           | -                | -                      | 1,25,000                       | 45,000                | 1,70,000         |
| Brig. Rajeshwar Singh Rathore (Retd.) | -                | -                      | 1,25,000                       | 45,000                | 1,70,000         |
| Brig. Amrit Kapur (Retd.)             | -                | -                      | 1,25,000                       | 45,000                | 1,70,000         |
| <b>TOTAL</b>                          | <b>20,00,000</b> | <b>7,91,024</b>        | <b>13,00,000</b>               | <b>4,45,000</b>       | <b>45,36,024</b> |



## Venky's (India) Limited

# Perquisites includes House Rent Allowance, Leave Travel Assistance and Company's contribution to Provident and Superannuation Funds, Gratuity and other allowances.

The Company has no stock option scheme for any of its Directors.

Except for the above, there are no pecuniary transactions between the Company and Non-Executive Directors.

### 6. Stakeholders Relationship Committee

**(Composition, Number of investor complaints received, number of complaints redressed.)**

Mrs. Anuradha J. Desai is the Chairperson of the Committee, Mr. B. Venkatesh Rao and Mr. Jitendra M. Desai are the other members of the Committee. Mr. A. G. Bauskar, Company Secretary is the Compliance Officer.

During the period under review, 23 complaints were received from the shareholders and others and all of them have been resolved to date to the satisfaction of shareholders.

### 7. Nomination and Remuneration Committee

**(Terms of Reference, Composition, Remuneration Policy and Meetings held during the year.)**

The Board of Directors has formed Nomination and Remuneration Committee in its meeting held on 12<sup>th</sup> May, 2015. The Terms of Reference of this Committee cover the matters specified for Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and allied applicable rules.

The Committee met once on 29<sup>th</sup> May, 2015 and the details of attendance of each member are as follows:

| Name of Member                 | Number of Meetings attended |
|--------------------------------|-----------------------------|
| Mrs. Anuradha J. Desai         | 1                           |
| Lt. Col. Ashok Mahajan (Retd.) | 1                           |
| Col. Surinder Kumar (Retd.)    | 1                           |

The policy relating to remuneration of directors, key management personnel and & other employees is available on the website of the Company.

### 8. Details of last Three General Meetings

Details of the location of the last three Annual General Meetings (AGM), including Extra-Ordinary General Meetings and the details of the resolutions passed or to be passed by the Postal Ballot :

| Sr. No. | Meeting                  | Date, Time and Place                                                                                                            |
|---------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| 1.      | AGM for the year 2013-14 | 27 <sup>th</sup> August, 2014 at 10.30 a.m. at Best Western The Pride Hotel, 5, University Road, Shivaji Nagar, Pune – 411 005. |
| 2.      | AGM for the year 2012-13 | 12 <sup>th</sup> August, 2013 at 10.30 a.m. at Best Western The Pride Hotel, 5, University Road, Shivaji Nagar, Pune – 411 005. |
| 3.      | AGM for the year 2011-12 | 23 <sup>rd</sup> August, 2012 at 10.30 a.m. at Best Western The Pride Hotel, 5, University Road, Shivaji Nagar, Pune – 411 005. |

No Extra-ordinary General Meeting was held during the period under consideration. All the resolutions including the special resolutions set out in the respective notices were passed by the shareholders.

The following resolutions were passed by the shareholders of the Company with requisite majority through postal ballot:

- Authority to Board of Directors to borrow.
- Authority to Board of Directors for creation of charges / mortgages in respect of borrowings.
- Approval for issuing non - convertible debentures through private placement.

Pursuant to Section 110 of the Companies Act, 2013 and applicable rules thereof the Company had sent notice dated 12<sup>th</sup> November, 2014 to all its shareholders through courier and registered post. The physical voting period was kept open for 30 days from 6<sup>th</sup> December, 2014 to 4<sup>th</sup> January, 2015 and e-voting facility was also provided to the shareholders. All the aforementioned resolutions were passed with requisite majority and the result of the postal ballot was announced by the Company on 5<sup>th</sup> January, 2015.

**9. Code of Conduct:**

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management. All the Board Members and the Senior Management Personnel have affirmed compliance with Code of Conduct, as on 31<sup>st</sup> March, 2015.

**10. Managing Director / CFO Certification:**

The Managing Director and Chief Financial Officer have certified to the Board of Directors, inter alia, the accuracy of Financial Statements and adequacy of Internal Controls for the financial reporting purpose as required under Clause 49 of the Listing Agreement, for the year ended 31<sup>st</sup> March, 2015.

**11. Disclosures**

There are no related party transactions made by the Company with its Promoters, Directors or Management or their Subsidiaries or Relatives etc. that may have potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. The transactions with the related parties are disclosed in Note No. 10 of the Accounts in this Annual Report.

The track record of the Company in handling shareholders' grievances has been very good. During the last three years there were no penalties imposed either by Securities and Exchange Board of India (SEBI) or the Stock Exchanges or any statutory authority for non-compliance of any matter relating to the capital markets.

**12. Means of communication (Publishing of financial results in newspapers English and Marathi)**

The financial Results of the Company are published in widely circulating national dailies such as:

1. Loksatta (Marathi).
2. Financial Express (English)

The Company's results and official news releases are displayed on Company's website [www.venkys.com](http://www.venkys.com).

**13. General Shareholders Information**

| Particulars                 | Details                                                                                                                                                                                                                                                     |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Annual General Meeting Date | 16 <sup>th</sup> September, 2015                                                                                                                                                                                                                            |
| Time                        | 10.30 A.M.                                                                                                                                                                                                                                                  |
| Venue                       | Hotel Le Meridian, Raja Bahadur Mill Road, Near Pune Railway Station, Pune 411001                                                                                                                                                                           |
| Financial Calendar 2015-16  | i. First Quarter Results – upto August 14, 2015.<br>ii. Second Quarter Results – upto November 15, 2015.<br>iii. Third Quarter Results – upto February 15, 2016.<br>iv. Audited Results for the year ending 31 <sup>st</sup> March, 2016 – end of May, 2016 |
| Date of Book Closure        | 31 <sup>st</sup> August, 2015 - 4 <sup>th</sup> September, 2015                                                                                                                                                                                             |
| Dividend Payment Details    | Within 30 Days after Annual General Meeting.                                                                                                                                                                                                                |



## Venky's (India) Limited

| Particulars                                                    | Details                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Names of Stock Exchanges in which it is listed and scrip code. | I. Bombay Stock Exchange Limited – 523261.<br>II. National Stock Exchange of India Limited – VENKEYS                                                                                                                                                                                                                                                                    |
| Demat ISIN number for NSDL and CDSL                            | INE 398A01010                                                                                                                                                                                                                                                                                                                                                           |
| Registrar & Transfer Agent                                     | M/s Bigshare Services Private Limited, E – 2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072.                                                                                                                                                                                                                                          |
| Share Transfer System                                          | All the transfers received are processed at the office of Registrar and Share Transfer Agent and are approved by the “Stakeholders Relationship Committee” which meets twice in a month or more depending on the volume of transfers. Share transfers are registered and returned within 30 Days from the date of lodgement, if documents are complete in all respects. |

### Monthly Market High / Low for the year 2014-2015 on Bombay Stock Exchange Limited.

| Month          | High (Rs.) | Low (Rs.) | Month         | High (Rs.) | Low (Rs.) |
|----------------|------------|-----------|---------------|------------|-----------|
| April 2014     | 616        | 468       | October 2014  | 604        | 480       |
| May 2014       | 522        | 458       | November 2014 | 503        | 437       |
| June 2014      | 549        | 483       | December 2014 | 465        | 387       |
| July 2014      | 640        | 501       | January 2015  | 403        | 373       |
| August 2014    | 524        | 417       | February 2015 | 411        | 356       |
| September 2014 | 600        | 455       | March 2015    | 419        | 322       |

(Source: [www.bseindia.com](http://www.bseindia.com))

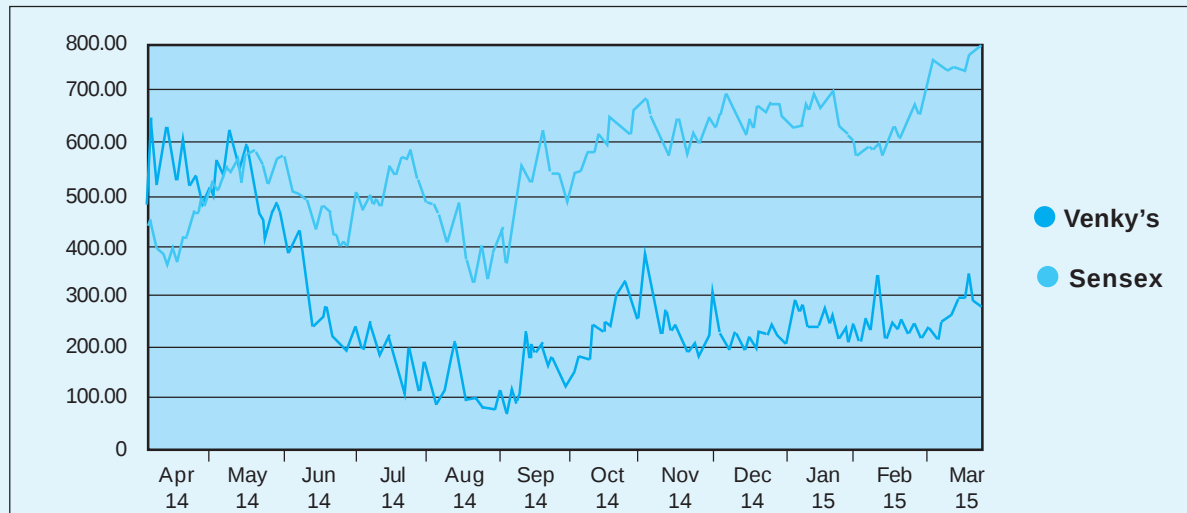
### Monthly Market High / Low for the year 2014-2015 on National Stock Exchange of India Limited.

| Month          | High (Rs.) | Low (Rs.) | Month         | High (Rs.) | Low (Rs.) |
|----------------|------------|-----------|---------------|------------|-----------|
| April 2014     | 577        | 476       | October 2014  | 603        | 480       |
| May 2014       | 524        | 450       | November 2014 | 505        | 436       |
| June 2014      | 550        | 482       | December 2014 | 467        | 386       |
| July 2014      | 641        | 501       | January 2015  | 401        | 372       |
| August 2014    | 523        | 435       | February 2015 | 414        | 357       |
| September 2014 | 603        | 452       | March 2015    | 421        | 324       |

(Source: [www.moneycontrol.com](http://www.moneycontrol.com))

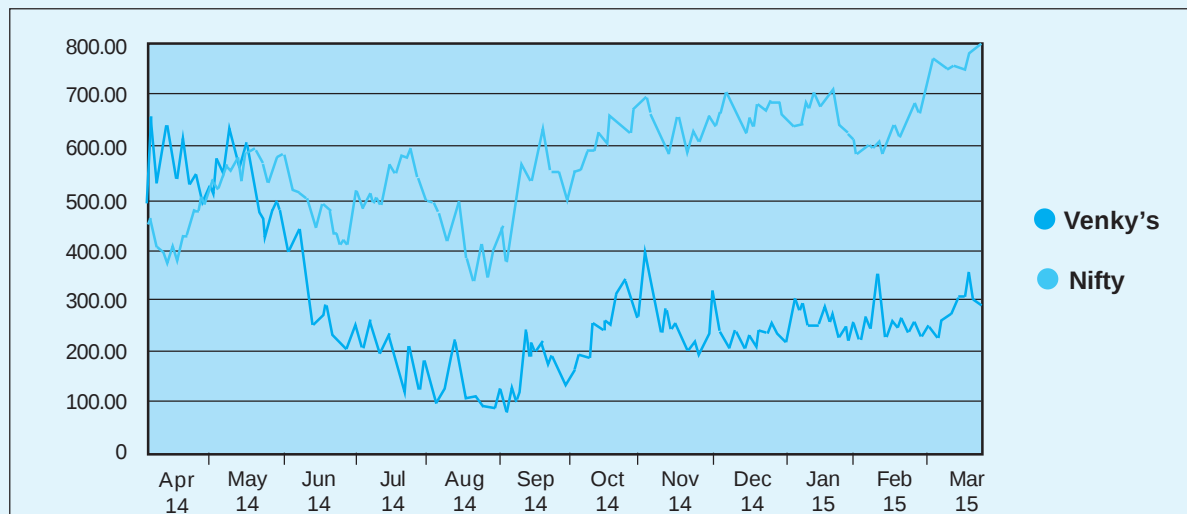
**Comparative Price Charts:**

**Bombay Stock Exchange Limited V/s Venky's (India) Limited**



(Source: [www.moneycontrol.com](http://www.moneycontrol.com))

**National Stock Exchange of India Limited V/s Venky's (India) Limited**



(Source: [www.moneycontrol.com](http://www.moneycontrol.com))



## Venky's (India) Limited

### Distribution of shareholding and its patterns as on 31.03.2015

#### I. Distribution of Shareholding

| No. of Equity Shares held | No. of Folios | %          | No. of Shares    | %          |
|---------------------------|---------------|------------|------------------|------------|
| 1 - 500                   | 21165         | 96.90      | 13,76,210        | 14.65      |
| 501 - 1000                | 343           | 1.57       | 2,58,772         | 2.75       |
| 1001 - 2000               | 151           | 0.69       | 2,20,549         | 2.35       |
| 2001 - 5000               | 96            | 0.44       | 3,06,422         | 3.26       |
| 5001 - 10000              | 34            | 0.16       | 2,34,916         | 2.51       |
| 10001 & above             | 53            | 0.24       | 69,94,688        | 74.48      |
| <b>Total</b>              | <b>21,842</b> | <b>100</b> | <b>93,91,557</b> | <b>100</b> |

#### II. Shareholding Pattern:

| Category                           | No. of Shares    | %          |
|------------------------------------|------------------|------------|
| Promoters                          | 52,69,445        | 56.12      |
| Mutual Funds / Unit Trust of India | 3,59,749         | 3.83       |
| Financial Institutions / Banks     | 1,781            | 0.01       |
| Foreign Institutional Investors    | 2,69,133         | 2.87       |
| Private Bodies Corporate           | 5,56,281         | 5.92       |
| Non-resident Indians               | 61,924           | 0.66       |
| Public                             | 28,73,244        | 30.59      |
| <b>Total</b>                       | <b>93,91,557</b> | <b>100</b> |

#### Dematerialisation of shares and liquidity:

About 92.71 % of the paid-up capital of the Company was dematerialised as on 31<sup>st</sup> March, 2015. The Company has not issued any GDRs/ ADRs/ warrants or any convertible instruments.

#### Unclaimed Dividend:

Unclaimed dividend up to and for the year 2006-07 has been transferred to the Investor Education and Protection Fund (IEPF) established by Central Government.

According to the provisions of the Companies Act, 2013, if the amount in the Dividend Account remained unclaimed for the period of 7 years from the date of disbursement, then same has to be transferred to IEPF. Following are the details of the unclaimed Dividend, if not claimed within the period of 7 years then same will be transferred to IEPF in accordance with the schedule given below:

| Financial Year | Date of declaration of dividend | Total Dividend (Rs.) | Unclaimed Dividend as on 31 <sup>st</sup> March, 2015 (Rs.) | Due date for transfer to IEPF |
|----------------|---------------------------------|----------------------|-------------------------------------------------------------|-------------------------------|
| 2007-08        | 18.09.2008                      | 3,28,70,450          | 7,00,368                                                    | 26.10.2015                    |
| 2008-09        | 25.06.2009                      | 3,28,70,450          | 7,51,422                                                    | 02.08.2016                    |
| 2009-10        | 27.08.2010                      | 3,75,66,000          | 9,81,208                                                    | 02.11.2017                    |
| 2010-11        | 05.08.2011                      | 4,69,58,000          | 12,16,070                                                   | 02.09.2018                    |
| 2011-12        | 23.08.2012                      | 4,69,58,000          | 13,18,670                                                   | 21.09.2019                    |
| 2012-13        | 12.08.2013                      | 4,69,58,000          | 13,93,075                                                   | 09.09.2020                    |
| 2013-14        | 27.08.2014                      | 4,69,58,000          | 14,85,060                                                   | 26.09.2021                    |

Location of Units:

**A. Maharashtra**

- Pune - Breeder Farms, Specific Pathogen Free Egg, Poultry Feed, Animal Health Products, Chicken Processing, Commercial Farms.
- Solapur - Solvent Extraction, Refinery and Poultry Feed.
- Nanded - Solvent Extraction and Refinery.

**B. Gujarat**

- Anand - Breeder Farms & Hatchery

**C. Uttaranchal**

- Dehradun - Breeder Farms, Hatchery and Poultry Feed.

**D. Uttar Pradesh**

- Allahabad - Breeder Farm, Hatchery and Poultry Feed and Commercial Farms.
- Sunderpur - Breeder Farm.
- Basti - Hatchery.
- Jasmour - Breeder Farm.

**E. Haryana**

- Sonapat - Breeder Farms and Hatchery.
- Panipat - Breeder Farms, Hatchery.
- Ambala - Breeder Farms, Poultry Feed, Commercial Farms, Hatchery.
- Hissar - Commercial Farms.
- Hansi - Commercial Farms.
- Kurukshetra - Commercial Farms.
- Kaithal - Commercial Farms.
- Yamuna Nagar - Commercial Farms.
- Tohana - Commercial Farms.

**F. Punjab**

- Ludhiana - Breeder Farms, Hatchery and Commercial Farms & Packaging unit.
- Hoshiarpur - Breeder Farms, Hatchery and Commercial Farms.
- Gurdaspur - Commercial Farms.
- Pathankot - Commercial Farms.
- Batala - Commercial Farms.
- Sangrur - Commercial Farms.
- Patiala - Commercial Farms.
- Barnala - Commercial Farms.

**G. Madhya Pradesh**

- Rewa - Breeder Farms and Hatchery.

**H. Himachal Pradesh**

- Kangra - Hatchery.
- Nalagarh - Breeder Farms, Hatchery.
- Una - Commercial Farms.

**I. Jammu and Kashmir**

- Kathua - Hatchery.

**J. Bihar**

- Mujjafarpur- Hatchery.
- Arrah – Hatchery.

**K. Rajasthan**

- Palsana - Commercial Farms.
- Chirawa - Commercial Farms.



## Venky's (India) Limited

### Address for correspondence.

Shareholders' correspondence should be addressed to Registrar and Transfer Agent, M/s Bigshare Services Private Limited. Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants. For dividend related queries, shareholders may contact Mr. S. Kannan, Assistant General Manager – Secretarial (Mob.No. 0988 147 3832) or Mr. Rohan Bhagwat, Asst. Company Secretary (Mob.No.095 45 22 88 22) at the registered office, Tel Nos. : 020 – 24251530 to 41 or Email: corp.shares@venkys.com.

### B. NON-MANDATORY REQUIREMENTS :

#### a. The Board

|                                                                                                                                                                                       |                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Whether Chairman of the Board is entitled to maintain a Chairman's office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties. | Expenses incurred in performance of duties by the Chairperson are reimbursed. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|

#### b. Shareholder Rights

|                                                                                                                                                                       |                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The half yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of shareholders. | The Company's half yearly results are published in English and Marathi newspapers having wide circulation and uploaded on the Company's website i.e. <a href="http://www.venkys.com">www.venkys.com</a> . |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### c. Audit Qualifications

|                                                                        |                                                                     |
|------------------------------------------------------------------------|---------------------------------------------------------------------|
| Company may move towards a regime of unqualified financial statements. | The Company's financial statements have been unqualified till date. |
|------------------------------------------------------------------------|---------------------------------------------------------------------|

#### d. Separate posts of Chairman and Managing Director / CEO

|                                                                                              |                                                                                             |
|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| The Company may appoint separate persons to the post of Chairman and Managing Director/ CEO. | The Company already has separate persons for the post of Chairperson and Managing Director. |
|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|

#### e. Reporting of Internal Auditor

|                                                                  |                                                                                                                                         |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| The internal auditor may report directly to the Audit Committee. | The internal auditor has direct access to the Audit Committee Chairman and members and is also an invitee for audit committee meetings. |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|

### DECLARATION UNDER CLAUSE 49 (II) (E) OF THE LISTING AGREEMENT

This is to confirm that, all the Board Members and Senior Management Personnel of Venky's (India) Limited have affirmed compliance with the respective Codes of Conduct for the Financial Year ended 31<sup>st</sup> March, 2015.

Pune  
May 29, 2015

**B. Balaji Rao**  
Managing Director

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**VENKY'S (INDIA) LIMITED**

I have examined the compliance of conditions of Corporate Governance by Venky's (India) Limited ("the Company") for the year ended 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the Listing Agreements of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Pune  
Date: May 29, 2015

**P. L. Shettigar**  
Practicing Company Secretary  
Manek Hall, Premises Monaa Hotels Pvt. Ltd.,  
2, East Street,  
Pune - 411001.  
C.P. Number : 2917  
Membership Number : FCS 3816



Venky's (India) Limited

**Annexure C**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : L01222PN1976PLC017422
- ii) Registration Date : 01/07/1976
- iii) Name of the Company : VENKY'S (INDIA) LIMITED
- iv) Category / Sub-Category of the Company : Company limited by shares / Indian Non-Government Company
- v) Address of the Registered office and contact details : "Venkareshwara House" Survey No. 114/ A/2 Pune Sinhagad Road, Pune 411 030.
- vi) Whether listed company Yes / No : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/s. Bigshare Services Private Limited  
Unit : Venky's (India) Limited  
E-2 / 3, Ansa Industrial Estate,  
Saki-Vihar Road, Saki Naka,  
Andheri (East), Mumbai - 400072  
Tel. No. 022 - 40430200  
Fax: 022 28475207  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| S. No | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|-------|--------------------------------------------------|----------------------------------|------------------------------------|
| 1     | Day Old Commercial Chicks                        | 01222                            | 15.01%                             |
| 2     | Grown Up Commercial Broiler                      | 01222                            | 22.28%                             |
| 3     | De-Oiled Cake for Poultry Feed                   | 15332                            | 25.16%                             |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

| S. No | NAME AND ADDRESS OF THE COMPANY                                                                                                  | CIN/GLN               | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section                                              |
|-------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|------------------|-----------------------------------------------------------------|
| 1     | Venkareshwara Hatcheries Private Limited<br>"Venkareshwara House",<br>H. No. 3-5-808 & 808/1,<br>Hyderguda, Hyderabad<br>500 029 | U01222AP1971PTC001422 | Holding Company                | 51.02%           | Section 2 (46) & Section 2 (87) (ii) of the Companies Act, 2013 |

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

| Category of Shareholders                                                         | No. of Shares held at the beginning of the year |               |                |                   | No. of Shares held at the end of the year |               |                |                   |
|----------------------------------------------------------------------------------|-------------------------------------------------|---------------|----------------|-------------------|-------------------------------------------|---------------|----------------|-------------------|
|                                                                                  | demat                                           | physical      | Total          | % of total shares | demat                                     | physical      | Total          | % of total shares |
| <b>A. PROMOTERS</b>                                                              |                                                 |               |                |                   |                                           |               |                |                   |
| <b>(1) INDIAN</b>                                                                |                                                 |               |                |                   |                                           |               |                |                   |
| a) Individual/ HUF                                                               | 463142                                          | 15021         | 478163         | 5.09              | 463142                                    | 15021         | 478163         | 5.09              |
| b) Central Govt                                                                  | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| c) State Govt (s)                                                                | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| d) Bodies Corp.                                                                  | 4791282                                         | 0             | 4791282        | 51.02             | 4791282                                   | 0             | 4791282        | 51.02             |
| e) Banks / FI                                                                    | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| f) Any Other....                                                                 |                                                 |               |                |                   |                                           |               |                |                   |
| <b>Sub-total (A) (1):-</b>                                                       | <b>5254424</b>                                  | <b>15021</b>  | <b>5269445</b> | <b>56.11</b>      | <b>5254424</b>                            | <b>15021</b>  | <b>5269445</b> | <b>56.11</b>      |
| <b>(2) Foreign</b>                                                               |                                                 |               |                |                   |                                           |               |                |                   |
| a) NRIs – Individuals                                                            | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| b) Other – Individuals                                                           | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| c) Bodies Corp.                                                                  | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| d) Banks / FI                                                                    | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| e) Any Other...                                                                  | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| <b>Sub-total (A)(2):-</b>                                                        |                                                 |               |                |                   |                                           |               |                |                   |
| <b>Totalshareholding of Promoter (A) = (A)(1)+(A)( 2)</b>                        | <b>5254424</b>                                  | <b>15021</b>  | <b>5269445</b> | <b>56.11</b>      | <b>5254424</b>                            | <b>15021</b>  | <b>5269445</b> | <b>56.11</b>      |
| <b>. Public Shareholding</b>                                                     |                                                 |               |                |                   |                                           |               |                |                   |
| <b>1. Institutions</b>                                                           |                                                 |               |                |                   |                                           |               |                |                   |
| a) Mutual Funds                                                                  | 789600                                          | 801           | 790401         | 8.41              | 358991                                    | 758           | 359749         | 3.83              |
| b) Banks / FI                                                                    | 4105                                            | 166           | 4271           | 0.04              | 1615                                      | 166           | 1781           | 0.01              |
| c) Central Govt                                                                  | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| d) State Govt(s)                                                                 | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| e) Venture Capital Funds                                                         | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| f) Insurance Companies                                                           | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| g) FIIs                                                                          | 285064                                          | 1599          | 286663         | 3.05              | 267534                                    | 1599          | 269133         | 2.87              |
| h) Foreign Venture Capital Funds                                                 | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| i) Others (foreign bank)                                                         | 210                                             | 0             | 210            | 0.01              | 210                                       | 0             | 210            | 0.01              |
| (i-1) NRIs / Banks                                                               | 0                                               | 3133          | 3133           | 0.03              | 0                                         | 3133          | 3133           | 0.03              |
| <b>Sub-total (B)(1):-</b>                                                        | <b>1078979</b>                                  | <b>5699</b>   | <b>1084678</b> | <b>11.54</b>      | <b>628350</b>                             | <b>5656</b>   | <b>634006</b>  | <b>6.75</b>       |
| <b>2. Non Institutions</b>                                                       |                                                 |               |                |                   |                                           |               |                |                   |
| <b>a) Bodies Corp.</b>                                                           |                                                 |               |                |                   |                                           |               |                |                   |
| i) Indian                                                                        | 382978                                          | 3194          | 386172         | 4.11              | 553087                                    | 3194          | 556281         | 5.92              |
| ii) Overseas                                                                     | 0                                               | 0             | 0              | 0.00              | 0                                         | 0             | 0              | 0.00              |
| <b>b) Individuals</b>                                                            |                                                 |               |                |                   |                                           |               |                |                   |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | 1173448                                         | 576368        | 1749816        | 18.63             | 1529620                                   | 568645        | 2098265        | 22.34             |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 748001                                          | 98798         | 846799         | 9.03              | 666167                                    | 84132         | 750299         | 7.99              |
| <b>c) Others(specify)</b>                                                        |                                                 |               |                |                   |                                           |               |                |                   |
| (c-i) NRIs /OCBS                                                                 | 41409                                           | 8102          | 49511          | 0.53              | 53822                                     | 8102          | 61924          | 0.66              |
| (c-ii) Clearing Member                                                           | 5036                                            | 0             | 5036           | 0.05              | 21337                                     | 0             | 21337          | 0.23              |
| (c-iii) Trust                                                                    | 100                                             | 0             | 100            | 0.00              | 0                                         | 0             | 0              | 0.00              |
| <b>Sub-total (B)(2):-</b>                                                        | <b>2350972</b>                                  | <b>686462</b> | <b>3037434</b> | <b>32.35</b>      | <b>2824033</b>                            | <b>664073</b> | <b>3488106</b> | <b>37.14</b>      |
| <b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>                             | <b>3429951</b>                                  | <b>692161</b> | <b>4122112</b> | <b>43.89</b>      | <b>3452383</b>                            | <b>669729</b> | <b>4122112</b> | <b>43.89</b>      |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           | <b>0</b>                                        | <b>0</b>      | <b>0</b>       | <b>0.00</b>       | <b>0</b>                                  | <b>0</b>      | <b>0</b>       | <b>0.00</b>       |
| <b>Grand Total (A+B+C)</b>                                                       | <b>8684375</b>                                  | <b>707182</b> | <b>9391557</b> | <b>100.00</b>     | <b>8706807</b>                            | <b>684750</b> | <b>9391557</b> | <b>100.00</b>     |



## Venky's (India) Limited

### (ii) Shareholding of Promoters

| S. No | Shareholder's Name                            | Shareholding at the beginning of the year |                                  |                                                  | Shareholding at theEnd of the year |                                  |                                                  | % change in shareholding during the year |
|-------|-----------------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------|
|       |                                               | No. of shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of shares                      | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |                                          |
| 1     | Mrs. Anuradha J. Desai                        | 321951                                    | 3.43                             | 0.00                                             | 321951                             | 3.43                             | 0.00                                             | 0.00                                     |
| 2     | Mr. B. Venkatesh Rao                          | 44034                                     | 0.47                             | 0.00                                             | 44034                              | 0.47                             | 0.00                                             | 0.00                                     |
| 3     | Mr. B. Balaji Rao                             | 43778                                     | 0.47                             | 0.00                                             | 43778                              | 0.47                             | 0.00                                             | 0.00                                     |
| 4     | M/s. Venkateshwara Hatcheries Private Limited | 4791276                                   | 51.02                            | 0.00                                             | 4791276                            | 51.02                            | 0.00                                             | 0.00                                     |

(iii) Change in Promoters' Shareholding ( please specify, if there is no change): There is no change in the Promoters Shareholding.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| No. | Name                                                                     | Shareholding                         |                                  | Dates     | Increase / Decrease in Shareholding | Reason   | Cumulative Shareholding during the year |                                  |
|-----|--------------------------------------------------------------------------|--------------------------------------|----------------------------------|-----------|-------------------------------------|----------|-----------------------------------------|----------------------------------|
|     |                                                                          | No. of Shares at 01.04.14 / 31.03.15 | % of total shares of the Company |           |                                     |          | No. of shares                           | % of total shares of the Company |
| 1   | ICICI Prudential Balanced Advantage Fund                                 | 1,71,848                             | 1.83                             | 1-Apr-14  | -                                   | -        | 171,848                                 | 1.83                             |
|     |                                                                          |                                      |                                  | 4-Apr-14  | 2280                                | Transfer | 174,128                                 | 1.85                             |
|     |                                                                          |                                      |                                  | 20-Jun-14 | 5910                                | Transfer | 180,038                                 | 1.92                             |
|     |                                                                          |                                      |                                  | 30-Jun-14 | 92000                               | Transfer | 272,038                                 | 2.90                             |
|     |                                                                          |                                      |                                  | 11-Jul-14 | 16865                               | Transfer | 288,903                                 | 3.08                             |
|     |                                                                          |                                      |                                  | 31-Oct-14 | -11717                              | Transfer | 277,186                                 | 2.95                             |
|     |                                                                          |                                      |                                  | 7-Nov-14  | -23873                              | Transfer | 253,313                                 | 2.70                             |
|     |                                                                          |                                      |                                  | 14-Nov-14 | -22008                              | Transfer | 231,305                                 | 2.46                             |
|     |                                                                          |                                      |                                  | 9-Jan-15  | -7771                               | Transfer | 223,534                                 | 2.38                             |
|     |                                                                          |                                      |                                  | 16-Jan-15 | -16591                              | Transfer | 206,943                                 | 2.20                             |
|     |                                                                          |                                      |                                  | 23-Jan-15 | -5867                               | Transfer | 201,076                                 | 2.14                             |
|     |                                                                          |                                      |                                  | 6-Feb-15  | -10782                              | Transfer | 190,294                                 | 2.03                             |
|     |                                                                          |                                      |                                  | 13-Feb-15 | -105455                             | Transfer | 84,839                                  | 0.90                             |
|     |                                                                          |                                      |                                  | 27-Feb-15 | -3534                               | Transfer | 81,305                                  | 0.87                             |
|     |                                                                          |                                      |                                  | 31-Mar-15 | 0                                   | -        | 81,305                                  | 0.87                             |
| 2   | Chitturi Jagapati Rao                                                    | 81,094                               | 0.86                             | 1-Apr-14  | -                                   | -        | 81,094                                  | 0.86                             |
|     |                                                                          |                                      |                                  | 22-Aug-14 | -81094                              | Transfer | 0                                       | 0.00                             |
|     |                                                                          |                                      |                                  | 31-Mar-15 | 0                                   | -        | 0                                       | 0.00                             |
| 3   | Eadala Padmaja                                                           | 852                                  | 0.01                             | 1-Apr-14  | -                                   | -        | 852                                     | 0.01                             |
|     |                                                                          |                                      |                                  | 22-Aug-14 | 81094                               | Transfer | 81,946                                  | 0.87                             |
|     |                                                                          |                                      |                                  | 31-Mar-15 | -                                   | -        | 81,946                                  | 0.87                             |
| 4   | Reliance Capital Trustee Co. Ltd. A/c Reliance Equity Opportunities Fund | 563,181                              | 6.00                             | 1-Apr-14  | -                                   | -        | 563,181                                 | 6.00                             |
|     |                                                                          |                                      |                                  | 11-Apr-14 | -23400                              | Transfer | 539,781                                 | 5.75                             |
|     |                                                                          |                                      |                                  | 16-May-14 | 4727                                | Transfer | 544,508                                 | 5.80                             |
|     |                                                                          |                                      |                                  | 6-Jun-14  | 50000                               | Transfer | 594,508                                 | 6.33                             |
|     |                                                                          |                                      |                                  | 13-Jun-14 | 30000                               | Transfer | 624,508                                 | 6.65                             |
|     |                                                                          |                                      |                                  | 4-Jul-14  | 8650                                | Transfer | 633,158                                 | 6.74                             |
|     |                                                                          |                                      |                                  | 11-Jul-14 | -15271                              | Transfer | 617,887                                 | 6.58                             |
|     |                                                                          |                                      |                                  | 18-Jul-14 | -26313                              | Transfer | 591,574                                 | 6.30                             |
|     |                                                                          |                                      |                                  | 25-Jul-14 | -33325                              | Transfer | 558,249                                 | 5.94                             |
|     |                                                                          |                                      |                                  | 1-Aug-14  | -6567                               | Transfer | 551,682                                 | 5.87                             |
|     |                                                                          |                                      |                                  | 8-Aug-14  | -11960                              | Transfer | 539,722                                 | 5.75                             |

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| No. | Name                                            | Shareholding                                  |                                           | Dates     | Increase /<br>Decrease in<br>Shareholding | Reason   | Cumulative<br>Shareholding<br>during the year |                                           |
|-----|-------------------------------------------------|-----------------------------------------------|-------------------------------------------|-----------|-------------------------------------------|----------|-----------------------------------------------|-------------------------------------------|
|     |                                                 | No. of<br>Shares at<br>01.04.14 /<br>31.03.15 | % of total<br>shares of<br>the<br>Company |           |                                           |          | No. of<br>shares                              | % of total<br>shares of<br>the<br>Company |
|     |                                                 |                                               |                                           | 19-Sep-14 | -11172                                    | Transfer | 528,550                                       | 5.63                                      |
|     |                                                 |                                               |                                           | 3-Oct-14  | -6671                                     | Transfer | 521,879                                       | 5.56                                      |
|     |                                                 |                                               |                                           | 10-Oct-14 | -2322                                     | Transfer | 519,557                                       | 5.53                                      |
|     |                                                 |                                               |                                           | 31-Oct-14 | -11972                                    | Transfer | 507,585                                       | 5.40                                      |
|     |                                                 |                                               |                                           | 7-Nov-14  | -13918                                    | Transfer | 493,667                                       | 5.26                                      |
|     |                                                 |                                               |                                           | 19-Dec-14 | -1410                                     | Transfer | 492,257                                       | 5.24                                      |
|     |                                                 |                                               |                                           | 31-Dec-14 | -15781                                    | Transfer | 476,476                                       | 5.07                                      |
|     |                                                 |                                               |                                           | 2-Jan-15  | -12412                                    | Transfer | 464,064                                       | 4.94                                      |
|     |                                                 |                                               |                                           | 9-Jan-15  | -34107                                    | Transfer | 429,957                                       | 4.58                                      |
|     |                                                 |                                               |                                           | 16-Jan-15 | -11653                                    | Transfer | 418,304                                       | 4.45                                      |
|     |                                                 |                                               |                                           | 23-Jan-15 | -10780                                    | Transfer | 407,524                                       | 4.34                                      |
|     |                                                 |                                               |                                           | 30-Jan-15 | -5642                                     | Transfer | 401,882                                       | 4.28                                      |
|     |                                                 |                                               |                                           | 6-Feb-15  | -3688                                     | Transfer | 398,194                                       | 4.24                                      |
|     |                                                 |                                               |                                           | 13-Feb-15 | -89798                                    | Transfer | 308,396                                       | 3.28                                      |
|     |                                                 |                                               |                                           | 27-Feb-15 | -5705                                     | Transfer | 302,691                                       | 3.22                                      |
|     |                                                 |                                               |                                           | 6-Mar-15  | -20352                                    | Transfer | 282,339                                       | 3.01                                      |
|     |                                                 |                                               |                                           | 13-Mar-15 | -5104                                     | Transfer | 277,235                                       | 2.95                                      |
|     |                                                 | 277,235                                       | 2.95                                      | 31-Mar-15 | 0                                         | -        | 277,235                                       | 2.95                                      |
| 5   | DB International (Asia) Ltd.                    | 194,500                                       | 2.07                                      | 1-Apr-14  | -                                         | -        | 194,500                                       | 2.07                                      |
|     |                                                 | 194,500                                       | 2.07                                      | 31-Mar-15 | -                                         | -        | 194,500                                       | 2.07                                      |
| 6   | Deutsche Securities<br>Mauritius Limited        | 73,400                                        | 0.78                                      | 1-Apr-14  | -                                         | -        | 73,400                                        | 0.78                                      |
|     |                                                 |                                               |                                           | 27-Mar-15 | -22422                                    | Transfer | 50,978                                        | 0.54                                      |
|     |                                                 |                                               |                                           | 31-Mar-15 | -15044                                    | Transfer | 35,934                                        | 0.38                                      |
|     |                                                 | 35,934                                        | 0.38                                      | 31-Mar-15 | 0                                         | -        | 35,934                                        | 0.38                                      |
| 7   | KB Capital Markets Pvt. Ltd.                    | 63,771                                        | 0.68                                      | 1-Apr-14  | -                                         | -        | 63,771                                        | 0.68                                      |
|     |                                                 |                                               |                                           | 16-May-14 | -20000                                    | Transfer | 43,771                                        | 0.47                                      |
|     |                                                 |                                               |                                           | 11-Jul-14 | -771                                      | Transfer | 43,000                                        | 0.46                                      |
|     |                                                 | 43,000                                        | 0.46                                      | 31-Mar-15 | 0                                         | -        | 43,000                                        | 0.46                                      |
| 8   | Bajaj Allianz Life Insurance<br>Company Limited | 0                                             | 0.00                                      | 1-Apr-14  | -                                         | -        | 0                                             | 0.00                                      |
|     |                                                 |                                               |                                           | 19-Sep-14 | 91260                                     | Transfer | 91,260                                        | 0.97                                      |
|     |                                                 |                                               |                                           | 30-Sep-14 | 8740                                      | Transfer | 100,000                                       | 1.06                                      |
|     |                                                 | 100,000                                       | 1.06                                      | 31-Mar-15 | 0                                         | Transfer | 100,000                                       | 1.06                                      |
| 9   | Srinivasa Hatcheries<br>Limited                 | 74,881                                        | 0.80                                      | 1-Apr-14  | -                                         | -        | 74,881                                        | 0.80                                      |
|     |                                                 | 74,881                                        | 0.80                                      | 31-Mar-15 | -                                         | -        | 74,881                                        | 0.80                                      |
| 10  | Kaushik Poddar                                  | 51,000                                        | 0.54                                      | 1-Apr-14  | -                                         | -        | 51,000                                        | 0.54                                      |
|     |                                                 | 51,000                                        | 0.54                                      | 31-Mar-15 | -                                         | -        | 51,000                                        | 0.54                                      |
| 11  | Roopa B. Rao                                    | 70,988                                        | 0.76                                      | 1-Apr-14  | -                                         | -        | 70,988                                        | 0.76                                      |
|     |                                                 | 70,988                                        | 0.76                                      | 31-Mar-15 | -                                         | -        | 70,988                                        | 0.76                                      |
| 12  | Neeraj Kumar Gupta                              | 52,567                                        | 0.56                                      | 1-Apr-14  | -                                         | -        | 52,567                                        | 0.56                                      |
|     |                                                 |                                               |                                           | 7-Nov-14  | -52567                                    | Transfer | 0                                             | 0.00                                      |
|     |                                                 | 0                                             | 0.00                                      | 31-Mar-15 | -                                         | -        | 0                                             | 0.00                                      |
| 13  | Sharadaben Patel                                | 45,651                                        | 0.49                                      | 1-Apr-14  | -                                         | -        | 45,651                                        | 0.49                                      |
|     |                                                 | 45,651                                        | 0.49                                      | 31-Mar-15 | -                                         | -        | 45,651                                        | 0.49                                      |
| 14  | Deepak Bhagnani                                 | 160,579                                       | 1.71                                      | 1-Apr-14  | -                                         | -        | 160,579                                       | 1.71                                      |
|     |                                                 |                                               |                                           | 6-Jun-14  | -66517                                    | Transfer | 94,062                                        | 1.00                                      |
|     |                                                 |                                               |                                           | 13-Jun-14 | -91905                                    | Transfer | 2,157                                         | 0.02                                      |
|     |                                                 |                                               |                                           | 25-Jul-14 | -860                                      | Transfer | 1,297                                         | 0.01                                      |
|     |                                                 |                                               |                                           | 1-Aug-14  | -881                                      | Transfer | 416                                           | 0.00                                      |
|     |                                                 |                                               |                                           | 8-Aug-14  | -416                                      | Transfer | 0                                             | 0.00                                      |
|     |                                                 | 0                                             | 0.00                                      | 31-Mar-15 | 0                                         | -        | 0                                             | 0.00                                      |



## Venky's (India) Limited

| No. | Name  | Shareholding                         |                                  | Dates     | Increase / Decrease in Shareholding | Reason   | Cumulative Shareholding during the year |                                  |
|-----|-------|--------------------------------------|----------------------------------|-----------|-------------------------------------|----------|-----------------------------------------|----------------------------------|
|     |       | No. of Shares at 01.04.14 / 31.03.15 | % of total shares of the Company |           |                                     |          | No. of shares                           | % of total shares of the Company |
| 15  | Anjul | 0                                    | 0.00                             | 1-Apr-14  | -                                   | -        | 0                                       | 0.00                             |
|     |       |                                      |                                  | 7-Nov-14  | 52,567                              | Transfer | 52,567                                  | 0.56                             |
|     |       | 52,567                               | 0.56                             | 31-Mar-15 | -                                   | -        | 52,567                                  | 0.56                             |

### (v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No.  | For Each of the Directors and KMP                                                                                                                                    | Shareholding  |                                  | Cumulative Shareholding during the year |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------|-----------------------------------------|
|          |                                                                                                                                                                      | No. of shares | % of total shares of the company |                                         |
| <b>1</b> | <b>Mrs. Anuradha J. Desai</b>                                                                                                                                        |               |                                  |                                         |
|          | At the beginning of the year                                                                                                                                         | 3,21,951      | 3.43                             | 3,21,951                                |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                     |
|          | At the End of the year                                                                                                                                               | 3,21,951      | 3.43                             | 3,21,951                                |
| <b>2</b> | <b>Mr. B. Venkatesh Rao</b>                                                                                                                                          |               |                                  |                                         |
|          | At the beginning of the year                                                                                                                                         | 44,034        | 0.47                             | 44,034                                  |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                     |
|          | At the End of the year                                                                                                                                               | 44,034        | 0.47                             | 44,034                                  |
| <b>3</b> | <b>Mr. B. Balaji Rao</b>                                                                                                                                             |               |                                  |                                         |
|          | At the beginning of the year                                                                                                                                         | 43,778        | 0.47                             | 43,778                                  |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                     |
|          | At the End of the year                                                                                                                                               | 43,778        | 0.47                             | 43,778                                  |
| <b>4</b> | <b>Mr. Jitendra M. Desai</b>                                                                                                                                         |               |                                  |                                         |
|          | At the beginning of the year                                                                                                                                         | 20,053        | 0.21                             | 20,053                                  |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                     |
|          | At the End of the year                                                                                                                                               | 20,053        | 0.21                             | 20,053                                  |

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| Sl. No.  | For Each of the Directors and KMP                                                                                                                                    | Shareholding  |                                  | Cumulative Shareholding during the year<br>No. of shares |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------|----------------------------------------------------------|
|          |                                                                                                                                                                      | No. of shares | % of total shares of the company |                                                          |
| <b>5</b> | <b>Mr. C. Jagapati Rao</b>                                                                                                                                           |               |                                  |                                                          |
|          | At the beginning of the year                                                                                                                                         | 14,248        | 0.15                             | 14,248                                                   |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                                      |
|          | At the End of the year                                                                                                                                               | 14,248        | 0.15                             | 0.15                                                     |
| <b>6</b> | <b>Lt. Col. Ashok Mahajan (Retd.)</b>                                                                                                                                |               |                                  |                                                          |
|          | At the beginning of the year                                                                                                                                         | NIL           | NIL                              | NIL                                                      |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                                      |
|          | At the End of the year                                                                                                                                               | NIL           | NIL                              | NIL                                                      |
| <b>7</b> | <b>Col. Surinder Kumar (Retd.)</b>                                                                                                                                   |               |                                  |                                                          |
|          | At the beginning of the year                                                                                                                                         | NIL           | NIL                              | NIL                                                      |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                                      |
|          | At the End of the year                                                                                                                                               | NIL           | NIL                              | NIL                                                      |
| <b>8</b> | <b>Brig. Rajeshwar Singh Rathore (Retd.)</b>                                                                                                                         |               |                                  |                                                          |
|          | At the beginning of the year                                                                                                                                         | NIL           | NIL                              | NIL                                                      |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                                      |
|          | At the End of the year                                                                                                                                               | NIL           | NIL                              | NIL                                                      |
| <b>9</b> | <b>Brig. Amrit Kapur (Retd.)</b>                                                                                                                                     |               |                                  |                                                          |
|          | At the beginning of the year                                                                                                                                         | NIL           | NIL                              | NIL                                                      |
|          | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                                      |
|          | At the End of the year                                                                                                                                               | NIL           | NIL                              | NIL                                                      |



## Venky's (India) Limited

| Sl. No.   | For Each of the Directors and KMP                                                                                                                                    | Shareholding  |                                  | Cumulative Shareholding during the year |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------|-----------------------------------------|
|           |                                                                                                                                                                      | No. of shares | % of total shares of the company | No. of shares                           |
| <b>10</b> | <b>Mr. Ashok G. Bauskar</b>                                                                                                                                          |               |                                  |                                         |
|           | At the beginning of the year                                                                                                                                         | NIL           | NIL                              | NIL                                     |
|           | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NIL           | NIL                              | NIL                                     |
|           | At the End of the year                                                                                                                                               | NIL           | NIL                              | NIL                                     |

### V. INDEBTEDNESS :

DETAILS OF INDEBTEDNESS AS OF 31/03/2015.

(Rs. in Lacs)

| Indebtedness of the company including interest outstanding accrued but not due for payment | Secured Loans excluding Deposits | Unsecured Loans | Deposits   | Total Indebtedness |
|--------------------------------------------------------------------------------------------|----------------------------------|-----------------|------------|--------------------|
| Indebtedness at the beginning of the financial year                                        |                                  |                 |            |                    |
| i) Principal Amount                                                                        | 41,576                           | 20,988          | NIL        | 62,564             |
| ii) Interest due but not paid                                                              | NIL                              | NIL             | NIL        | NIL                |
| iii) Interest accrued but not due                                                          | NIL                              | 601             | NIL        | 601                |
| <b>Total (i+ii+iii)</b>                                                                    | <b>41,576</b>                    | <b>21,589</b>   | <b>NIL</b> | <b>63,165</b>      |
| Change in Indebtedness during the financial year                                           |                                  |                 |            |                    |
| Addition                                                                                   | 13,208                           | NIL             | NIL        | 13,208             |
| Reduction                                                                                  | NIL                              | 591             | NIL        | 591                |
| <b>Net Change</b>                                                                          | <b>13,208</b>                    | <b>591</b>      | <b>NIL</b> | <b>12,617</b>      |
| Indebtedness at the end of the financial year                                              |                                  |                 |            |                    |
| i) Principal Amount                                                                        | 54,785                           | 21,410          | NIL        | 76,195             |
| ii) Interest due but not paid                                                              | NIL                              | NIL             | NIL        | NIL                |
| iii) Interest accrued but not due                                                          | NIL                              | 770             | NIL        | 770                |
| <b>Total (i+ii+iii)</b>                                                                    | <b>54,785</b>                    | <b>22,180</b>   | <b>NIL</b> | <b>76,965</b>      |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs.in Lacs)

| Sl. no. | Particulars of Remuneration                                                                                                                                                                                                              | Name of MD/WTD/Manager |                    |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
|         |                                                                                                                                                                                                                                          | Mr. B. Balaji Rao      | Total              |
| 1.      | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>(b) Value of perquisites u/s 17(2)Income-tax Act, 1961<br>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961) | 23.00<br>4.19<br>0     | 23.00<br>4.19<br>0 |
| 2.      | Stock Option                                                                                                                                                                                                                             | NIL                    | NIL                |
| 3.      | Sweat Equity                                                                                                                                                                                                                             | NIL                    | NIL                |
| 4.      | Commission<br>- as % of profit<br>- others, (fixed)                                                                                                                                                                                      | NIL<br>3.00            | NIL<br>3.00        |
| 5.      | Others, please specify (Own PF Contribution)                                                                                                                                                                                             | 0.72                   | 0.72               |
|         | Total (A)                                                                                                                                                                                                                                | 30.91                  | 30.91              |
|         | Ceiling as per the Act                                                                                                                                                                                                                   |                        | 93.49              |

### B. Remuneration to other directors:

| No. | Particulars of Remuneration                                                                  | Name of Directors      |                                |                             |                                       |                           | Total     |
|-----|----------------------------------------------------------------------------------------------|------------------------|--------------------------------|-----------------------------|---------------------------------------|---------------------------|-----------|
| 1   | Independent Directors                                                                        | Mr. C. Jagapati Rao    | Lt. Col. Ashok Mahajan (Retd.) | Col. Surinder Kumar (Retd.) | Brig. Rajeshwar Singh Rathore (Retd.) | Brig. Amrit Kapur (Retd.) |           |
|     | ● Fee for attending board / committee meetings                                               | 20,000                 | 45,000                         | 45,000                      | 45,000                                | 45,000                    | 2,00,000  |
|     | ● Commission                                                                                 | 1,25,000               | 1,25,000                       | 1,25,000                    | 1,25,000                              | 1,25,000                  | 6,25,000  |
|     | ● Others, please specify(Out of pocket expenses for attending Board / Committee Meetings.)   | 6,000                  | 13,500                         | 13,500                      | 13,500                                | 13,500                    | 60,000    |
|     | Total (1)                                                                                    | 1,51,000               | 1,83,500                       | 1,83,500                    | 1,83,500                              | 1,83,500                  | 8,85,000  |
| 2   | Non Executive Directors                                                                      | Mrs. Anuradha J. Desai | Mr. B. Venkatesh Rao           | Mr. Jitendra M. Desai       | -                                     | -                         | Total     |
|     | ● Fee for attending board / committee meetings                                               | 1,00,000               | 25,000                         | 1,20,000                    | -                                     | -                         | 2,45,000  |
|     | ● Commission                                                                                 | 1,25,000               | 1,25,000                       | 1,25,000                    | -                                     | -                         | 3,75,000  |
|     | ● Others, please specify: (Out of pocket expenses for attending Board / Committee Meetings.) | 30,000                 | 7,500                          | 36,000                      | -                                     | -                         | 73,500    |
|     | Total (2)                                                                                    | 2,55,000               | 1,57,500                       | 2,81,000                    |                                       |                           | 6,93,500  |
|     | Total (B)=(1+2)                                                                              |                        |                                |                             |                                       |                           | 15,78,500 |
|     | Total Managerial Remuneration                                                                |                        |                                |                             |                                       |                           | 15,78,500 |



## Venky's (India) Limited

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sl. no. | Particulars of Remuneration                                                         | Key Managerial Personnel<br>(Rs.in Lacs) |
|---------|-------------------------------------------------------------------------------------|------------------------------------------|
|         |                                                                                     | CFO & CS                                 |
| 1.      | Gross salary                                                                        |                                          |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 15.82                                    |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | NIL                                      |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | NIL                                      |
| 2.      | Stock Option                                                                        | NIL                                      |
| 3.      | Sweat Equity                                                                        | NIL                                      |
| 4.      | Commission - as % of profit -others, specify...                                     | NIL                                      |
| 5.      | Others, please specify                                                              | NIL                                      |
|         | Total                                                                               | 15.82                                    |

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type                                                                                                                                                                                                        | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (giveDetails) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------|----------------------------------------------------------|-------------------------------|-----------------------------------|
| <b>A. COMPANY :</b><br>Penalty<br>Punishment<br>Compounding<br><b>B. DIRECTORS:</b><br>Penalty<br>Punishment<br>Compounding<br><b>C. OTHER OFFICERS IN DEFAULT:</b><br>Penalty<br>Punishment<br>Compounding |                              |                   | NIL                                                      |                               |                                   |

Note :

There were no material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## ANNEXURE D

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.:

The Company's objective is managing its business processes to produce an overall positive impact on the society at large and create wellness. The Company perceives CSR as a strategic social investment aimed at uplifting the society at large. Over the years your company is striving to achieve a fine balance of economic and social imperative. The Company contributes for this purpose through a registered trust viz. Venkateshwara Charitable Foundation. The Company year after year is contributing to the social cause for betterment of society and also monitor its end use. At present the contribution made by the Company to Venkateshwara Charitable Foundation is primarily used for activities like a) Eradicating hunger, malnutrition, promoting preventive health care and sanitation and making available safe drinking water and b) Promoting education, including special education and employment enhancing vocation skills. The CSR policy adopted by the Company is available on its website at [http://www.venkys.com/CSR\\_Policy.pdf](http://www.venkys.com/CSR_Policy.pdf).

2. CSR Committee: The CSR committee provides oversight of policy execution to ensure that CSR objectives of the Company are met. CSR committee comprises:

- (a) Mr. B. Venkatesh Rao – Chairman
- (b) Mr. Jitendra M. Desai – Member
- (c) Col. Surinder Kumar (Retd.) - Member

3. Average net profit of the company for last three financial years: Rs. 33.29 Crores
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : Rs. 0.66 Crores  
The current CSR expenditures are Rs. 0.70 Crores.

5. Details of CSR spent during the financial year.

- (a) Total amount to be spent for the financial year : Rs. 0.70 Crores;
- (b) Amount unspent, if any: NIL;
- (c) Manner in which the amount spent during the financial year is detailed below.

(Amount in Rs. Crores)

| (1)   | (2)                                | (3)                                                             | (4)                                                                                                                      | (5)                                             | (6)                                                                                                                | (7)                                              | (8)                                                  |
|-------|------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------|
| S. No | CSR project or activity identified | Sector in which the Project is covered                          | Projects or programs(1) Local area or other (2) Specify the State and district where projects or programs was undertaken | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads | Cumulative expenditure upto the reporting period | Amount spent : Direct or through implementing agency |
| 1     | Donation to Charitable Trust       | Health Care, Education and Eradication of hunger & Poverty etc. | Pune, (Maharashtra)                                                                                                      | 0.70                                            | 0.70                                                                                                               | 0.70                                             | Through, Venkateshwara Charitable Foundation         |
|       | <b>TOTAL</b>                       |                                                                 |                                                                                                                          | 0.70                                            | 0.70                                                                                                               | 0.70                                             |                                                      |



## Venky's (India) Limited

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6. Details of Implementing Agency:

Venkateshwara Charitable Foundation is a public trust registered under the Bombay Public Trust Act, 1950 and was established in the year 1980. Since inception the trust is carrying on charitable activities in the field of providing education, medical aid in rural areas and other charitable services to the weaker sections of the society.

7. Responsibility Statement of CSR Committee.

We hereby affirm that the CSR policy has been implemented and the CSR committee monitors the implementation of CSR projects and activities in Compliance with CSR objectives.

For Venky's (India) Limited

**Mr. B. Venkatesh Rao**  
Chairman - CSR Committee

**Mr. Jitendra M. Desai**  
Director & Member of CSR Committee

Annexure E

Information as per Section 197 of the Companies Act, 2013 read with  
Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

Information as per Rule 5(1)

1. The ratio of remuneration of each director to the median remuneration of the employees;

Managing Director : 17.95

Non Executive Directors : 0.73

(Mrs. Anuradha J. Desai, Mr. B. Venkatesh Rao and Mr. Jitendra M. Desai.)

Independent Directors : 0.73

[Mr. C. Jagapati Rao, Lt. Col. Ashok Mahajan (Retd.), Col Surinder Kumar (Retd.), Brig. Amrit Kapur (Retd.) and Brig. Rajeshwar Singh Rathore (Retd.)]

2. % increase in remuneration of each Director, KMP and of % increase in median remuneration of employees

There is no change in the remuneration of Directors as compared to the previous year. The remuneration to Company Secretary and CFO was decreased by 6.62% whereas the median remuneration of employees was increased by 7%. The decrease in the remuneration of CS and CFO was due to variation in leave encashment whereas the basic remuneration remain unchanged as compared to previous year.

3. The number of permanent employees on the role of Company as of 31<sup>st</sup> March, 2015 is 5,288.

4. Explanation of relationship between average increase in remuneration & Company performance.

Average increase in remuneration is 7% whereas for the F.Y. 2014-15 the profit after tax was down by 39% as compared to previous year.

5. Comparison of remuneration of each KMP against performance of company.

The profit after tax was down by 39% as compared to previous year. There was no change in the remuneration of Managing Director whereas the remuneration of Company Secretary and CFO decreased by 6.62%. The decrease in the remuneration of CS and CFO was due to variation in leave encashment whereas the basic remuneration remain unchanged as compared to previous year.

6. Other Details:

- a. Variation in market cap of the Company: Market cap of the Company as on 31<sup>st</sup> March 2014 was Rs. 450.74 Crores and as at 31 March, 2015 was Rs.315 Crores showing a decline of Rs.135.74 Crores.

- b. PE Ratio as on 31<sup>st</sup> March 2014 = 13.24

PE Ratio as on 31<sup>st</sup> March 2015 = 16.84



## Venky's (India) Limited

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- c. % increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with last public offer:

Closing price on BSE as on 31<sup>st</sup> March 2015 : Rs. 335.40

Public issue price : Rs.23

Increase : 1358.26%.

7. Average percentile increase in managerial remuneration with that of increase in remuneration of other employees : There was no change in the remuneration of Directors while remuneration of CFO and CS decreased by 6.62%. Whereas the average increase in remuneration of other employees was 7%. The decrease in the remuneration of CS and CFO was due to variation in leave encashment whereas the basic remuneration remain unchanged as compared to previous year.
8. Key parameters for any variable remuneration of directors: Remuneration paid to Managing Director does not have any variable component. The Commission received by other non executive directors is decided by the Board considering the performance of the Company in that year.
9. Ratio of remuneration of highest paid director to other employees who gets remuneration more than highest paid director: NIL
10. Affirmation that remuneration is as per remuneration policy of the Company: It is hereby affirmed that the remuneration paid to all managerial personnel and other directors is as per the remuneration policy of the Company.

For Venky's (India) Limited

Place:Pune  
Date: May 29, 2015.

**Anuradha J. Desai**  
Chairperson.

**Annexure F**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

VENKY'S (INDIA) LIMITED,

"Venkateshwara House",

S.No.114/A/2, Pune-Sinhagad Road,

Pune - 411030.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Venky's (India) Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct and statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper, board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during the audit period.)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable during the audit period.)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the audit period.)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable during the audit period)



## Venky's (India) Limited

(vi) The following other laws as applicable to the Company:

- Food Safety and Standards Act, 2006 & Rules and Regulations made thereunder.
- Foods and Drugs Administration Laws.
- Drug Price Control Order, 2013.
- Drugs and Cosmetic Act, 1940, Drugs and Cosmetic (Amendment) Act, 2008 and rules and regulations made thereunder.
- Legal Metrology Act, 2009 & Rules and Regulations made thereunder.
- The Environment (Protection) Act, 1986
- The Water (Prevention and Control of Pollution) Act, 1974
- The Air (Prevention and Control of Pollution) Act, 1981
- Agricultural Produce Marketing Committee Act.
- Edible Oil Packaging Order, 1990
- Factories Act, 1948
- Local Gram Panchayat laws.

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines mentioned above.

I further report that the compliances by the Company of applicable financial laws like direct and indirect tax laws, have not been reviewed in this Audit since the same are subject to review by statutory financial audit.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that as per the minutes of the meetings recorded and signed by the Chairperson, the decisions of the Board were unanimous and no dissenting views of the Directors have been noticed in the Minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has obtained shareholders approval through postal ballot for power to Board of Directors to borrow money upto Rs.500 Crores in excess of the aggregate of then paid up share capital and free reserves and create mortgage against such borrowings if required. The Company has complied with all the applicable provisions of the Companies Act, 2013 and Listing Agreement in obtaining such approval through postal ballot.

Place: Pune  
Date: May 29, 2015

**P. L. Shettigar**  
Practicing Company Secretary  
FCS 3816/C.P.NO.2917

## MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE

To  
The Board of Directors  
**VENKY'S (INDIA) LIMITED**

Dear Madam / Sirs,

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Venky's (India) Limited ["the Company"], to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statements for the year ended on 31<sup>st</sup> March, 2015 and based on our knowledge and belief, we state that:
  - (i) these statements do not contain any material untrue statement or omit any material fact or contain any statement that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

We hereby declare that all the Members of the Board of Directors and Senior Management have confirmed compliance with the Code of Conduct as adopted by the Company.

- (c) We are responsible for establishing and maintaining internal control and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal control, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
  - i. significant changes, if any, in the internal control over financial reporting during the year;
  - ii. significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Pune  
May 29, 2015

**B. Balaji Rao**  
Managing Director

**A.G. Bauskar**  
Chief Financial Officer



Venky's (India) Limited

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
**Venky's (India) Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Venky's (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2015 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in

- paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 5.7 to the financial statements;
    - ii. there are no material foreseeable losses on long-term contracts including derivative contracts for which provision is required to be made by the Company under the applicable law or accounting standards.
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- For Sudit K. Parekh & Co.**  
Chartered Accountants  
Firm Registration Number: 110512W
- Ch. Soma Raju**  
Partner  
Membership Number: 200354
- Pune  
May 29, 2015



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in our report of even date)

**Re: Venky's (India) Limited**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March, 2015, we report that:

- i. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets have been physically verified during the year by the management under a regular programme of verification by rotation over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii. In respect of its inventories:
  - a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) On the basis of our examination of the record of inventories, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and were properly dealt with in the books of account.
- iii. In respect of loans granted:
  - a) According to the information and explanations given to us, the Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Companies Act, 2013.
  - b) In respect of the aforesaid loan, the party was regular in payment of interest. The principal amount of loan is repayable on demand.
  - c) The aforesaid loan is repayable on demand and hence the question of taking reasonable steps for receipt of principal and interest does not arise.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 or any relevant provisions of the Companies Act and the rules framed thereunder.
- vi. We have broadly reviewed the cost accounting records maintained by the Company, pursuant to the Companies (Cost Accounting Records) Rules, 2013 prescribed by the Central Government under section 148(1) of the Companies Act, 2013, however we have not made a detailed examination of the records with a view to determine its accuracy. Based on our review we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. In respect of statutory dues:
  - a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues

applicable to it. No undisputed amounts payable in respect of the aforesaid dues were in arrears, as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, the particulars of dues of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31<sup>st</sup> March, 2015 which have not been deposited on account of a dispute, are as follows:

| Name of the statute                                              | Nature of Dues | Amount Involved (Rupees in Lacs) | Period  | Forum where Dispute is pending                      |
|------------------------------------------------------------------|----------------|----------------------------------|---------|-----------------------------------------------------|
| Central Sales Tax Act, 1956 and Sales Tax Acts of various states | Sales Tax*     | 5.62                             | 1991-92 | High Court, Mumbai                                  |
|                                                                  |                | 12.33                            | 1992-93 | High Court, Mumbai                                  |
|                                                                  |                | 3.14                             | 1993-94 | High Court, Mumbai                                  |
|                                                                  |                | 16.60                            | 2001-02 | Joint Commissioner, Trade Tax, Dehradun             |
|                                                                  |                | 4.77                             | 2004-05 | Sales Tax appellate tribunal, West Bengal           |
|                                                                  |                | 35.38                            | 2006-07 | Sales Tax appellate tribunal, West Bengal           |
|                                                                  |                | 2.44                             | 2010-11 | Deputy Commissioner of Sales Tax, Pallakad          |
|                                                                  |                | 189.45                           | 2004-05 | Sales Tax appellate tribunal, Mumbai                |
| Income Tax Act, 1961                                             | Income Tax     | 24.77                            | 2010-11 | Commissioner of Income Tax (Appeals) – Central Pune |

\*net of amounts paid under protest

- c) According to the information and explanations given to us, the amounts which were required to be transferred to the investor education and protection fund in

accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under have been transferred to such fund within time.

- viii. The Company does not have accumulated losses as at the end of the financial year and has not incurred any cash losses during the current and the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company does not have any dues to debenture holders.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. According to the information and explanations given to us, the Company has applied term loans for the purpose for which the loans were obtained.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **Sudit K. Parekh & Co.**  
Chartered Accountants  
Firm Registration Number: 110512W

**Ch. Soma Raju**  
Partner  
Pune  
May 29, 2015  
Membership Number: 200354



Venky's (India) Limited

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# Financial Statements

39th  
Annual  
Report  
2014-15

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015**

|                                | Note<br>Reference | As at<br>31 <sup>st</sup> March, 2015 | (Rupees in Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|--------------------------------|-------------------|---------------------------------------|-----------------------------------------------------------|
| <b>EQUITY AND LIABILITIES</b>  |                   |                                       |                                                           |
| <b>SHAREHOLDER'S FUNDS</b>     |                   |                                       |                                                           |
| Share capital                  | 1.1               | 939.16                                | 939.16                                                    |
| Reserves and surplus           | 1.2               | 36,203.03                             | 35,840.51                                                 |
|                                | (a)               | 37,142.19                             | 36,779.67                                                 |
| <b>NON-CURRENT LIABILITIES</b> |                   |                                       |                                                           |
| Long term borrowings           | 2.1               | 24,612.08                             | 23,173.73                                                 |
| Deferred tax liabilities (net) | 2.2               | 2,455.60                              | 2,364.40                                                  |
| Other long-term liabilities    | 2.3               | 180.22                                | 138.71                                                    |
| Long term provisions           | 2.4               | 709.96                                | 573.29                                                    |
|                                | (b)               | 27,957.86                             | 26,250.13                                                 |
| <b>CURRENT LIABILITIES</b>     |                   |                                       |                                                           |
| Short term borrowings          | 3.1               | 46,939.87                             | 35,599.15                                                 |
| Trade payables                 | 3.2               | 17,873.95                             | 14,358.22                                                 |
| Other current liabilities      | 3.3               | 11,056.61                             | 8,809.48                                                  |
| Short-term provisions          | 3.4               | 1,068.74                              | 643.19                                                    |
|                                | (c)               | 76,939.17                             | 59,410.04                                                 |
| <b>Total (a+b+c)</b>           |                   | <b>142,039.22</b>                     | <b>122,439.84</b>                                         |
| <b>ASSETS</b>                  |                   |                                       |                                                           |
| <b>NON-CURRENT ASSETS</b>      |                   |                                       |                                                           |
| Fixed assets                   |                   |                                       |                                                           |
| Tangible assets                | 4.1               | 46,309.85                             | 41,480.37                                                 |
| Intangible assets              | 4.1               | 1300.27                               | 1,648.48                                                  |
| Capital work-in-progress       |                   | 920.07                                | 3,395.74                                                  |
|                                |                   | 48,530.19                             | 46,884.59                                                 |
| Long-term loans and advances   | 4.2               | 13,787.03                             | 5,317.53                                                  |
| Other non-current assets       | 4.3               | 2,498.28                              | 2,508.70                                                  |
|                                | (a)               | 64,815.50                             | 54,710.82                                                 |
| <b>CURRENT ASSETS</b>          |                   |                                       |                                                           |
| Current investments            | 5.1               | 6,152.74                              | 5,207.95                                                  |
| Inventories                    | 5.2               | 21,083.20                             | 19,875.52                                                 |
| Trade receivables              | 5.3               | 22,952.71                             | 16,694.92                                                 |
| Cash and bank balances         | 5.4               | 18,797.53                             | 17,563.80                                                 |
| Short-term loans and advances  | 5.5               | 7,823.85                              | 7,664.09                                                  |
| Other current assets           | 5.6               | 413.69                                | 722.74                                                    |
|                                | (b)               | 77,223.72                             | 67,729.02                                                 |
| <b>Total (a+b)</b>             |                   | <b>1,42,039.22</b>                    | <b>122,439.84</b>                                         |

**Summary of Significant Accounting Policies**

1

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For **SUDIT K. PAREKH & CO**  
Chartered Accountants  
Firm Registration Number : 110512W

**CH. SOMA RAJU**  
Partner  
Membership Number : 200354

Place : Pune  
Date : May 29, 2015

For and on behalf of the Board of Directors of  
**VENKY'S (INDIA) LIMITED**

**ANURADHA J. DESAI**  
Chairperson

**B. BALAJI RAO**  
Managing Director

Place : Pune  
Date : May 29, 2015

**B. VENKATESH RAO**  
Vice Chairman

**A. G. BAUSKAR**  
Chief Financial Officer &  
Company Secretary



Venky's (India) Limited

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

|                                                                                                               |                | (Rupees in Lacs)                                |                                                 |
|---------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------|-------------------------------------------------|
|                                                                                                               | Note Reference | For the year ended 31 <sup>st</sup> March, 2015 | For the year ended 31 <sup>st</sup> March, 2014 |
| <b>REVENUES</b>                                                                                               |                |                                                 |                                                 |
| Revenue from operations (gross)                                                                               | 6.1            |                                                 |                                                 |
| Sale of products                                                                                              |                | 1,67,445.00                                     | 169,288.10                                      |
| Other operating revenues                                                                                      |                | 5,791.92                                        | 4,449.95                                        |
|                                                                                                               |                | 1,73,236.92                                     | 173,738.05                                      |
| Less: Excise duty                                                                                             |                | 156.34                                          | 125.98                                          |
| Revenue from operations (net)                                                                                 |                | 1,73,080.58                                     | 173,612.07                                      |
| Other income                                                                                                  | 6.2            | 3,345.28                                        | 2,989.15                                        |
| <b>TOTAL REVENUES (I)</b>                                                                                     |                | <b>1,76,425.86</b>                              | <b>176,601.22</b>                               |
| <b>EXPENSES</b>                                                                                               |                |                                                 |                                                 |
| Cost of raw materials and packing materials consumed                                                          | 7.1            | 1,20,685.25                                     | 129,207.46                                      |
| Purchases of stock-in-trade                                                                                   | 7.2            | 6,907.36                                        | 5,809.89                                        |
| Changes in inventories of finished goods, work-in-progress, stock-in-trade and poultry for livestock breeding | 7.3            | (1,347.18)                                      | (1,403.76)                                      |
| Employee benefits expense                                                                                     | 7.4            | 11,955.11                                       | 9,518.44                                        |
| Finance costs                                                                                                 | 7.5            | 7,419.30                                        | 4,260.33                                        |
| Depreciation and amortisation expense                                                                         | 4.1            | 3,214.59                                        | 1,924.18                                        |
| Other expenses                                                                                                | 7.6            | 24,912.72                                       | 23,791.72                                       |
| <b>TOTAL EXPENSES (II)</b>                                                                                    |                | <b>1,73,747.15</b>                              | <b>173,108.26</b>                               |
| <b>PROFIT BEFORE TAX, PRIOR PERIOD AND EXCEPTIONAL ITEMS (I-II)</b>                                           |                | <b>2,678.71</b>                                 | <b>3,492.96</b>                                 |
| Prior period items (net)                                                                                      | 7.7.2          | 62.23                                           | 28.93                                           |
| <b>PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>                                                                |                | <b>2,616.48</b>                                 | <b>3,464.03</b>                                 |
| Exceptional Items                                                                                             |                | 155.04                                          | 1,052.51                                        |
| <b>PROFIT BEFORE TAX</b>                                                                                      |                | <b>2,771.52</b>                                 | <b>4,516.54</b>                                 |
| Less: Tax expense                                                                                             |                |                                                 |                                                 |
| Current tax                                                                                                   |                | 570.00                                          | 820.00                                          |
| Deferred tax                                                                                                  |                | 331.69                                          | 292.12                                          |
|                                                                                                               |                | 901.69                                          | 1,112.12                                        |
| <b>PROFIT AFTER TAX</b>                                                                                       |                | <b>1,869.83</b>                                 | <b>3,404.42</b>                                 |
| <b>PROFIT FOR THE YEAR</b>                                                                                    |                | <b>1,869.83</b>                                 | <b>3,404.42</b>                                 |
| <b>EARNINGS PER SHARE</b>                                                                                     | 12             |                                                 |                                                 |
| (Nominal value of share: Rs.10/- per equity share; Previous year: Rs.10/-)                                    |                |                                                 |                                                 |
| Basic                                                                                                         |                | Rs. 19.91                                       | Rs. 36.25                                       |
| Diluted                                                                                                       |                | Rs. 19.91                                       | Rs. 36.25                                       |

### Summary of Significant Accounting Policies

1

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For **SUDIT K. PAREKH & CO**  
Chartered Accountants  
Firm Registration Number : 110512W

**CH. SOMA RAJU**  
Partner  
Membership Number : 200354

Place : Pune  
Date : May 29, 2015

For and on behalf of the Board of Directors of  
**VENKY'S (INDIA) LIMITED**

**ANURADHA J. DESAI**  
Chairperson

**B. BALAJI RAO**  
Managing Director

Place : Pune  
Date : May 29, 2015

**B. VENKATESH RAO**  
Vice Chairman

**A. G. BAUSKAR**  
Chief Financial Officer &  
Company Secretary

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

|                                                                   | (Rupees in Lacs)                                   |                                                    |
|-------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
|                                                                   | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>                    |                                                    |                                                    |
| Profit before tax                                                 | 2,771.52                                           | 4,516.54                                           |
| Adjustments for :                                                 |                                                    |                                                    |
| Depreciation / Amortisation                                       | 3,214.59                                           | 1,924.18                                           |
| Exceptional income on account of change in method of depreciation | (155.04)                                           | —                                                  |
| Dividend income                                                   | (31.15)                                            | (43.69)                                            |
| Interest income                                                   | (2,305.69)                                         | (2,046.70)                                         |
| Finance cost                                                      | 7,419.30                                           | 4,260.33                                           |
| Loss/(Profit) on sale/discard of fixed assets (net)               | (281.56)                                           | (994.02)                                           |
| Loss/(Gain) on sale of current investments (net)                  | (27.28)                                            | (271.43)                                           |
| Provision for doubtful debts                                      | 261.92                                             | (12.24)                                            |
| Provision for doubtful deposits                                   | 8.20                                               | —                                                  |
| <b>Operating profit before changes in assets and liabilities</b>  | <b>10,874.81</b>                                   | <b>7,332.97</b>                                    |
| <b>Changes in assets and liabilities</b>                          |                                                    |                                                    |
| Inventories                                                       | (1,207.68)                                         | (2,038.79)                                         |
| Trade receivables                                                 | (6,519.71)                                         | (5,870.01)                                         |
| Loans & advances and other assets                                 | (359.65)                                           | (74.01)                                            |
| Other bank balances                                               | (1,318.42)                                         | (5,444.38)                                         |
| Liabilities and provisions                                        | 5,443.95                                           | 1,808.43                                           |
| <b>Cash generated from operations</b>                             | <b>6,913.60</b>                                    | <b>(4,285.79)</b>                                  |
| Direct taxes paid                                                 | (917.81)                                           | (1,284.52)                                         |
| <b>NET CASH GENERATED BY (USED IN) OPERATING ACTIVITIES</b>       | <b>5,995.79</b>                                    | <b>(5,570.31)</b>                                  |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>                    |                                                    |                                                    |
| Proceeds from sale of fixed assets                                | 353.76                                             | 1,046.39                                           |
| Payment towards capital expenditure                               | (13,396.57)                                        | (18,011.54)                                        |
| Purchase of investments in mutual funds                           | (25,281.21)                                        | (16,354.81)                                        |
| Disposal of investments in mutual funds                           | 24,363.70                                          | 14,726.01                                          |
| Intercompany deposits placed during the year                      | —                                                  | (7,350.00)                                         |
| Intercompany deposits received back during the year               | —                                                  | 2,105.00                                           |
| Interest received                                                 | 2,644.92                                           | 1,741.80                                           |
| Dividend received                                                 | 31.15                                              | 43.69                                              |
| <b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>        | <b>(11,284.25)</b>                                 | <b>(22,053.47)</b>                                 |



|                                                                   | (Rupees in Lacs)                                   |                                                    |
|-------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
|                                                                   | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>                    |                                                    |                                                    |
| Proceeds from long term borrowings                                | 4,463.76                                           | 11,402.97                                          |
| Repayment of long term borrowings                                 | (2,839.78)                                         | (739.26)                                           |
| Repayment of / Proceeds from short term borrowings (net)          | 11,340.72                                          | 19,508.35                                          |
| Finance cost paid                                                 | (7,253.88)                                         | (4,378.55)                                         |
| Dividend paid (including dividend distribution tax)               | (541.02)                                           | (542.94)                                           |
| <b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>                  | <b>5,169.80</b>                                    | <b>25,250.56</b>                                   |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>       | <b>(118.65)</b>                                    | <b>(2,373.21)</b>                                  |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR            | 2,343.16                                           | 4,716.37                                           |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>         | <b>2,224.51</b>                                    | <b>2,343.16</b>                                    |
| <b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>                    |                                                    |                                                    |
| Balances with banks:                                              |                                                    |                                                    |
| in current accounts                                               | 1,371.55                                           | 916.77                                             |
| in deposit accounts with original maturity for less than 3 months | —                                                  | 300.00                                             |
| In unpaid dividend accounts*                                      | 78.46                                              | 70.10                                              |
| Cheques, drafts on hand                                           | 568.22                                             | 729.42                                             |
| Cash on hand                                                      | 206.28                                             | 326.87                                             |
| <b>TOTAL CASH AND CASH EQUIVALENTS</b>                            | <b>2,224.51</b>                                    | <b>2,343.16</b>                                    |

\* The Company can utilise these balances only towards settlement of the unclaimed dividends.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks.

#### Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

As per our attached report of even date

For **SUDIT K. PAREKH & CO**  
Chartered Accountants  
Firm Registration Number : 110512W

**CH. SOMA RAJU**  
Partner  
Membership Number : 200354

Place : Pune  
Date : May 29, 2015

For and on behalf of the Board of Directors of  
**VENKY'S (INDIA) LIMITED**

**ANURADHA J. DESAI**  
Chairperson

**B. BALAJIRAO**  
Managing Director

Place : Pune  
Date : May 29, 2015

**B. VENKATESH RAO**  
Vice Chairman

**A. G. BAUSKAR**  
Chief Financial Officer &  
Company Secretary

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of preparation of financial statements

➤ Basis of accounting:

The financial statements are prepared under historical cost convention on an accrual basis of accounting to comply in all material respects with mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006 (as amended) issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ("NACAS") read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 1956 to the extent applicable and Companies Act, 2013 to the extent notified and applicable to the Company.

➤ Classification of assets and liabilities:

All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current or non-current classification of assets and liabilities.

#### b. Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates.

#### c. Valuations of inventories:

Inventories are valued as under:

- Poultry for livestock breeding : At cost
- Raw materials and packing materials : At cost or net realizable value, whichever is lower
- Work-in-progress : At cost or net realizable value, whichever is lower
- Finished goods : At cost or net realizable value, whichever is lower
- Stores and spares : At cost or net realizable value, whichever is lower
- By products : At estimated selling price
- Cost of raw materials (except oilseeds), packing material and stores & spares is determined on first in first out (FIFO) basis and it is net of taxes/duties for which input credit is available.
- Cost of oilseeds inventories is determined on quarterly moving weighted average basis.
- Cost of finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make sale.

#### d. Tangible fixed assets:

- Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost includes all expenditure incurred necessary to bring the asset to its working condition for its intended use and is net of taxes/duties which are eligible for credit. In respect of



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

self constructed assets, the expenditure incurred prior to commencement of commercial production and specifically attributable to the construction of the asset are capitalised upon the commencement of commercial production. The cost of fixed assets acquired in a business purchase is their fair value determined as at the date of purchase by an independent valuer.

- Fixed assets acquired in a business purchase are depreciated over the remaining useful life as determined by an independent valuer as at the date of purchase.
- Capital work-in-progress comprises the cost of fixed assets that are yet not ready for their intended use at the balance sheet date.

### e. Depreciation:

- The Company has adopted estimated useful life of the fixed assets as stipulated by Schedule II to the Companies Act, 2013 for the purpose of computing depreciation that takes an effect from 1 April 2014.
- Assets costing Rupees 5,000/- or less are depreciated fully in the year of purchase.
- Leasehold improvements are amortised over a period of lease or useful life whichever is less.
- Depreciation is provided on a pro-rata basis for assets purchased/sold during the year.
- Estimated life of Individual assets costing Rs. 5,000/- or less is considered as 1 year and has been depreciated accordingly.

### f. Revenue recognition:

- Sale of goods  
Revenues from sales of goods are recognized when risks and rewards of ownership of goods are passed on to the customers, which are generally on dispatch of goods and are recorded net of taxes and duties.
- Income from services  
Incomes from services are recognised pro-rata as and when services are rendered.
- Interest income  
Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- Dividend income  
Dividend income is recognised when the Company's right to receive is established by the reporting date.

### g. Foreign currency transactions:

- Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of transactions.
- Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.
- Monetary assets and liabilities in foreign currency, which are outstanding as at the year end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in statement of profit and loss for the year.
- Exchange differences arising in respect of fixed assets acquired from outside India are charged to the statement of profit and loss for the year.
- Exchange differences arising in respect of foreign currency loan for acquisition of fixed assets

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

either in India or outside India are charged to the statement of profit and loss for the year.

- Forward Contracts, other than those entered into to hedge foreign currency risks on highly probable forecasted transactions, existing financial assets and liabilities, are treated as foreign currency transactions and accounted accordingly as per AS 11. Exchange differences arising on such contracts are recognized in the period in which they arise.
- Gains and losses arising on account of roll over/ cancellation of forward contracts are recognized as income/expenses of the period in which such roll over/ cancellation takes place.
- All the other derivative contracts, including forward contracts entered into to hedge foreign currency risks on highly probable forecast transactions, existing financial assets and liabilities are recognized in the financial statements at fair value as on the Balance Sheet date, in pursuance of the announcement of the Institute of Chartered Accountants of India (ICAI) dated March 29, 2008 on accounting of derivatives. The Company has adopted Accounting Standard (AS) 30 ["Financial Instruments Recognition and Measurement"] for the accounting of such derivative contracts, not covered under Accounting Standards (AS) 11 ["The Effects of Changes in Foreign Exchange Rates"] as mandated by the ICAI in the aforesaid announcement since April 1, 2011.
- Accordingly, the resultant gains and losses on fair valuation/ settlement of the derivative contracts covered under Accounting Standard (AS) 30 ["Financial Instruments: Recognition and Measurement"] are recognized in the Statement of profit and loss for the year or Balance Sheet as the case may be after applying the test of hedge effectiveness. Where the hedge is effective, the gains or losses are recognized in the "Hedging Reserve" which forms part of "Reserves and Surplus" in the Balance Sheet, while the same is recognized in the statement of profit and loss where the hedge is ineffective. The amount recognized in the "Hedging Reserve" is transferred to the statement of profit and loss in the period in which the underlying hedged item affects the statement of profit and loss.
- The Company uses derivative financial instruments such as Forwards, Swaps and Options to hedge its risks associated with foreign exchange fluctuations. The Company uses Interest Rate Swaps specifically to protect against Interest Rate Volatility on the floating rate of External Commercial Borrowings (ECBs). It also uses Cross Currency Swaps to protect against foreign currency exchange rate as well as interest rate fluctuations on its foreign currency loans. Swaps and Forwards are also used to hedge the currency risk inherent in the settlement of the Liabilities denominated in foreign exchange.
- The fair values of all such derivative financial instruments are recognized as assets or liabilities at the balance sheet date. Such derivative financial instruments are used as risk management tools only and not for speculative purposes.
- For derivative financial instruments and foreign currency monetary items designated as cash flow hedges, the effective portion of the fair value of the derivative financial instruments are recognized in hedging reserve and reclassified to the statement of profit and loss as per guidance in AS 30.
- The ineffective portion of the change in fair value of such instruments is recognised in the statement of profit and loss in the period in which they arise. The various cash flows with reference to the hedged items and the hedging instruments are expected to occur over the next ten years and are expected to affect the statement of profit and loss over the same period of time. If the hedging relationship ceases to be effective or it becomes probable that the expected transaction will no longer occur, hedge accounting is discontinued and the fair value changes arising from the derivative financial instruments are recognized in statement of profit and loss.
- For derivative financial instruments designated as fair value hedges, the fair value of both the derivative financial instrument and the hedged item are recognized in the statement of profit and loss till the period the relationship is found to be effective. If the hedging relationship ceases to be effective or it becomes probable that the expected transaction will no longer occur, future gains or



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

losses on the derivative financial instruments are recognized in the statement of profit and loss.

- If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through statement of profit and loss.

### **h. Government grants & subsidies:**

- Non-refundable capital grants towards project undertaken by the Company are transferred to revenue account to the extent of depreciation on assets acquired out of the grants.
- Grant received against specific fixed assets are reduced from the cost of that asset.
- Subsidy in respect of air freight for export development is accounted for on accrual basis.
- Grants in the nature of Promoter's Contributions are treated as a part of Capital reserve.

### **i. Investments**

- Investments are classified as current investments and long-term investments based on intention of the management at the time of purchase.
- Current investments are stated at the lower of cost and fair value.
- Long-term investments are stated at cost.
- Provision for diminution in value is made to recognize a decline, other than temporary, in the value of long-term investments.

### **j. Employee benefits:**

#### **a. Short term employee benefits**

All employee benefits which fall due wholly within twelve months after the end of the period in which employee renders the related service are classified as short-term employee benefits. Undiscounted value of short term benefits such as salaries, wages, bonus and ex-gratia are recognized in the period in which the employee renders the related service.

#### **b. Post-employment benefits**

- Defined Contribution Plans:

The Company's Employee's Provident Fund scheme, Employee's State Insurance Scheme and Employee's Superannuation Scheme are defined contribution plans. The Company's contribution paid/payable under the schemes are recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

- Defined Benefit Plans:

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under the plan is determined based on independent actuarial valuation using the Projected Unit Credit Method. The gratuity liability is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the statement of profit & loss.

#### **c. Other long term employee benefits:**

Entitlement to annual leave is recognized when they accrue to employees. Annual leave can either be availed or en-cashed subject to a restriction on the maximum number of accumulation of leaves. The present value of the liability is determined based on independent actuarial valuation using the Projected Unit credit method. The discount rates used for determining the present value of the liability is based on the market yields on Government securities as at the balance sheet

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

date. Actuarial gains and losses are recognized immediately in the statement of profit & loss.

### k. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of profit and loss.

### l. Segment reporting

- Identification of segments
- The Company's operating businesses are organised and managed separately according to the nature of products, with each segment representing a strategic unit that offers different products and serves different markets. The analysis of the geographical segments is based on the areas in which major operating divisions of the Company operate.
- Intersegment transfers
- The Company accounts for intersegment sales on the basis of price charged for inter segments transfers.
- Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

- Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

- Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### m. Operating leases:

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vests with lessor are classified as operating lease. Rental income on assets given and rental expenses on assets obtained under operating lease arrangements are recognised in the statement of profit and loss for the year as per the terms and conditions of the respective lease agreement.

### n. Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit for the year attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

### o. Taxes on income

- Tax expense for a year comprises of current tax and deferred tax.
- Tax on income for the current year is determined on the basis of the taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961, and based on expected outcome of assessment / appeals.
- Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is a convincing evidence that the Company will pay income tax higher than the tax computed under MAT, during the period under which MAT is permitted to be setoff under applicable laws.
- In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the statement of profit and loss and shown as a MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is longer convincing evidence to the effect that Company will pay income tax higher than MAT during the specified period.

**p. Research and development:**

Revenue expenditure on research and development is charged to Statement of profit and loss for the year.

**q. Intangible assets:**

- Intangible assets are recorded at the consideration paid for their acquisition.
- Intangible assets are amortised over their useful economic life, as estimated by the management, on a straight line basis commencing from the date the asset is available to the company for its use. Management estimates of useful life of Intangible assets are as follows:

|                                                     |   |         |
|-----------------------------------------------------|---|---------|
| Goodwill/Trade mark/Technical know-how/License cost | - | 5 years |
| Software                                            | - | 3 years |

**r. Impairment of fixed assets:**

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of the profit and loss.

**s. Provisions:**

- Provisions are recognised when the Company recognizes that it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.
- Disclosures for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.
- Contingent assets are not recognised in the financial statements.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                                                 | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>(Rupees in Lacs)</b>                                                         |                                       |                                       |
| <b>1.1 SHARE CAPITAL</b>                                                        |                                       |                                       |
| <b>AUTHORISED</b>                                                               |                                       |                                       |
| 11,000,000 (Previous year 11,000,000) equity shares of Rs.10/- each             | 1,100.00                              | 1,100.00                              |
| 1,000,000 (Previous year 1,000,000) preference shares of Rs.100/- each          | 1,000.00                              | 1,000.00                              |
| <b>ISSUED, SUBSCRIBED AND PAID-UP</b>                                           |                                       |                                       |
| 9,391,557 (Previous year 9,391,557) equity shares of Rs.10/- each fully paid-up | 939.16                                | 939.16                                |
| <b>Total</b>                                                                    | <u>939.16</u>                         | <u>939.16</u>                         |
| Forfeited equity shares pending re-issue 5,715 (Previous year 5,715)            | 0.57                                  | 0.57                                  |

(a) **Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year :**

|                                                            | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Equity Shares</b>                                       | <b>Nos.      Amount</b>               | <b>Nos.      Amount</b>               |
| Number of shares outstanding at the beginning of the year  | 9,391,557      939.16                 | 9,391,557      939.16                 |
| Additions/deductions during the year                       | —      —                              | —      —                              |
| <b>Number of shares outstanding at the end of the year</b> | <u>9,391,557      939.16</u>          | <u>9,391,557      939.16</u>          |

(b) **Terms, rights and restrictions attached to equity shares :**

The Company has only one class of equity shares having a par value of Rs.10/- per share.

Each shareholder is entitled to vote in proportion to his share of the paid up equity capital of the Company except upon voting by "Show of hands" where one shareholder is entitled to one vote.

The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholdings.

(c) **Shares held by holding/ultimate holding company and/or their subsidiaries/associates :**

|                                          | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Equity Shares</b>                     | <b>Nos.      Amount</b>               | <b>Nos.      Amount</b>               |
| <b>Holding company</b>                   |                                       |                                       |
| Venkateshwara Hatcheries Private Limited | 4,791,276      479.13                 | 4,791,276      479.13                 |



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- (d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :

|                                          | As at<br>31 <sup>st</sup> March, 2015 |                 | As at<br>31 <sup>st</sup> March, 2014 |                 |
|------------------------------------------|---------------------------------------|-----------------|---------------------------------------|-----------------|
| Equity Shares                            | Nos.                                  | % of<br>holding | Nos.                                  | % of<br>holding |
| Venkateshwara Hatcheries Private Limited | 4,791,276                             | 51.02%          | 4,791,276                             | 51.02%          |

- (e) There are no shares reserved for issue under options or contracts/commitments for the sale of shares/ disinvestment as at 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014.
- (f) The Company has neither allotted any shares as fully paid up pursuant to contracts without payments being received in cash or by way of bonus shares nor bought back any shares for the period of five years immediately preceding 31<sup>st</sup> March, 2015 or 31<sup>st</sup> March, 2014.
- (g) The Company does not have any securities convertible into equity or preference shares as at 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014.
- (h) For the year ended 31<sup>st</sup> March, 2014, the amount of per share dividend recognized as distribution to equity shareholders was Rupees 5/- towards final dividend. The total dividend appropriation for the year ended 31<sup>st</sup> March, 2014 amounted to Rupees 549.38 Lacs including dividend distribution tax of Rupees 79.80 Lacs.
- (i) The Board of Directors, in it's meeting on 29<sup>th</sup> May, 2015, proposed final dividend of Rupees 5/- per equity share. The total dividend appropriation for the year ended 31<sup>st</sup> March, 2015 amounts to Rupees 565.18 Lacs including dividend distribution tax of Rupees 95.60 Lacs. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

|                                                      |     | (Rupees in Lacs)                      |                                       |
|------------------------------------------------------|-----|---------------------------------------|---------------------------------------|
|                                                      |     | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>1.2 RESERVES AND SURPLUS</b>                      |     |                                       |                                       |
| <b>Capital reserves</b>                              |     |                                       |                                       |
| Capital grants                                       |     | 97.78                                 | 97.78                                 |
| Profit on reissue of forfeited shares and debentures |     | 1.64                                  | 1.64                                  |
| Amalgamation reserve                                 |     | 75.95                                 | 75.95                                 |
|                                                      | (a) | 175.37                                | 175.37                                |
| <b>Capital redemption reserve</b>                    | (b) | 87.50                                 | 87.50                                 |
| <b>Securities premium account</b>                    | (c) | 223.19                                | 223.19                                |
| <b>Hedging reserve</b>                               |     |                                       |                                       |
| Opening balance                                      |     | 944.49                                | 761.19                                |
| Additions/(deduction) during the year <sup>1</sup>   |     | (487.74)                              | 183.30                                |
|                                                      | (d) | 456.75                                | 944.49                                |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                                                                             | As at<br>31 <sup>st</sup> March, 2015 | (Rupees in Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|-------------------------------------------------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------|
| <b>General reserve</b>                                                                                      |                                       |                                                           |
| Opening balance                                                                                             | 29,444.11                             | 27,444.11                                                 |
| Transferred from surplus in the statement of profit and loss                                                | 2,000.00                              | 2,000.00                                                  |
| Adjustments as per transitional provision under Schedule II of the Companies Act, 2013 (Refer note no. 4.1) | (454.39)                              | —                                                         |
| (e)                                                                                                         | 30,989.72                             | 29,444.11                                                 |
| <b>Surplus in the statement of profit and loss</b>                                                          |                                       |                                                           |
| Opening balance                                                                                             | 4,965.85                              | 4,110.81                                                  |
| Net Profit for the year as per the Statement of Profit and Loss                                             | 1,869.83                              | 3,404.42                                                  |
| Balance available for appropriations                                                                        | 6,835.68                              | 7,515.23                                                  |
| Less: Appropriations                                                                                        |                                       |                                                           |
| Transferred to general reserve                                                                              | 2,000.00                              | 2,000.00                                                  |
| Proposed dividend                                                                                           | 469.58                                | 469.58                                                    |
| Dividend distribution tax                                                                                   | 95.60                                 | 79.80                                                     |
| <b>Total appropriations</b>                                                                                 | 2,565.18                              | 2,549.38                                                  |
| <b>Net Surplus in the Statement of Profit and Loss</b> (f)                                                  | 4,270.50                              | 4,965.85                                                  |
| <b>Total (a+b+c+d+e+f)</b>                                                                                  | 36,203.03                             | 35,840.51                                                 |
| <b>Note :</b>                                                                                               |                                       |                                                           |
| 1 As per valuation carried out by an Independent valuer as at 31 March 2015.                                |                                       |                                                           |
| <b>2.1 LONG TERM BORROWINGS</b>                                                                             |                                       |                                                           |
| <b>Secured</b>                                                                                              |                                       |                                                           |
| Term loans                                                                                                  |                                       |                                                           |
| From banks                                                                                                  |                                       |                                                           |
| Rupee loan                                                                                                  | 13,108.45                             | 10,939.11                                                 |
| External commercial borrowings                                                                              | 16,146.96                             | 16,026.16                                                 |
|                                                                                                             | 29,255.41                             | 26,965.27                                                 |
| Less: Current maturities of term loans (Refer note no. 3.3)                                                 | 4,644.50                              | 3,793.47                                                  |
| (a)                                                                                                         | 24,610.91                             | 23,171.80                                                 |
| <b>Unsecured</b>                                                                                            |                                       |                                                           |
| Deferred payment liabilities                                                                                |                                       |                                                           |
| Sales tax deferral                                                                                          | 1.93                                  | 2.69                                                      |
| Less: Current maturities of deferred payment liabilities (Refer note no. 3.3)                               | 0.76                                  | 0.76                                                      |
| (b)                                                                                                         | 1.17                                  | 1.93                                                      |
| <b>Total (a+b)</b>                                                                                          | 24,612.08                             | 23,173.73                                                 |



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Details of securities, terms of repayments and rate of interest :

#### (i) Rupee loan-I (Secured) :

Rupee term loan from ICICI Bank Limited amounting to Rupees 469.54 Lacs outstanding as at 31<sup>st</sup> March, 2015 (previous year Rupees 939.11 lacs) carries an interest rate of sum of base rate as increased by appropriate term premia and spread per annum, subject to minimum rate of ICICI bank base rate +2.25%. The payment of interest shall be subject to statutory levies, if any. The loan is repayable in 9 half yearly equal installments commencing from 25<sup>th</sup> March, 2012. The loan is secured by an exclusive mortgage of land and buildings located at (a) Village Dikadla, Tehsil Samalkha, Dist. Panipat, State Haryana, (b) Plot no. 55, Sansarpur terrace, Dist. Kangra, State Himachal Pradesh and (c) Village Laider, Tehsil Bara, District Allahabad, State Uttar Pradesh and by way of hypothecation of movable fixed assets acquired/to be acquired out of said loan at these locations.

#### (ii) Rupee loan- II (Secured) :

Rupee term loan from IDBI Bank Limited amounting to Rupees 3,888.89 Lacs outstanding as at 31<sup>st</sup> March, 2015 (previous year Rupees 5,000.00 Lacs) carries an interest rate of sum of bank borrowing rate (BBR) as increased by 150 basis points per annum. The loan is repayable in 54 equal monthly installments commencing from 1<sup>th</sup> April, 2014. The loan is secured by way of second charge on movable fixed assets of the Company in form of plant & machinery, electrical installations, vehicles, furniture and fixtures, office equipments, etc and on the entire current assets of the Company.

#### (iii) Rupee loan - III (Secured) :

Rupee term loan from Axis Bank Limited amounting to Rupees 3,750.00 Lacs outstanding as at 31<sup>st</sup> March, 2015 (previous year Rupees 5,000.00 Lacs) carries an interest rate of sum of base rate as increased by 50 basis points per annum. The loan is repayable in 12 equal quarterly installments commencing from June, 2014. The loan is secured by an exclusive charge by way of hypothecation of plant and machinery and mortgage of land and buildings of the Feed Mill situated at Village Morwadi (Kikwi), Taluka Bhore Pune - 412206 and of the Animal Health Plant & Feed Mill unit located at Village - Osade, 19/2 Milestone, Pune - Panshet Road, Taluka - Velhe District Pune - 411042.

#### (iv) Rupee loan - IV (Secured) :

Rupee term loan from State Bank of India amounting to Rupees 5,000.00 lacs outstanding as at 31<sup>st</sup> March, 2015 (previous year Rupees NIL) carries an interest rate of 2% above BR present effective rate 12% per annum with monthly rests (including tenor premium). The loan is repayable in 19 quarterly installments commencing from June, 2015. The loan is secured by way of hypothecation on moveable assets of the Company situated at (a) Morwadi, Kikwi, Bhore, Pune. (b) AHP and Feed Mill, Osade, Velhe, Pune. (c) Sountli, PO Shahzadpur, Tehsil Naraingarh, District Ambala, State Haryana, (c) Patvi, Tehsil Naraingarh, District Ambala, State Haryana. (d) Dhamouli/ Patheri, Tehsil Naraingarh, District Ambala, State Haryana. (e) Dikadala and Jorasi, Tehsil Samalakha, District Panipat, Haryana. (f) Larsauli, Tehsil Ganapur, District Sonapat, State Haryana. (g) Packaging Division, Gadapur, PO Jodhewal, Basti. (h) Srini, Naugaon, Pargana Pachwa doon, District Dehradun, State Uttaranchal and also by way of mortgage proposed to be created on these immovable properties.

#### (v) External commercial borrowings - I (Secured) :

The Company has availed external commercial borrowing (ECB - I) from ICICI Bank Limited amounting to Rupees 9,399.43 Lacs outstanding as at 31<sup>st</sup> March, 2015 (previous year Rupees 9,557.46 Lacs) into two tranches for financing its expansion plans. ECB - I is repayable in 11 half yearly predetermined installments commencing from 3<sup>rd</sup> April, 2013 and is denominated in US\$. It carries an interest rate of 6 month USD LIBOR plus 4.5 percent per annum. Taking the currency risks in the cash flows arising out of fluctuations of USD LIBOR rates and also the currency fluctuations, the Company has entered into hedge agreements with its bankers. Further the repayment of said

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

liability in respect of the ECB-I is also fixed at predetermined exchange rate pursuant to the hedge agreements. ECB-I is secured by an exclusive mortgage of land, buildings and immovable plant and machinery at processing plant situated at Baur Kamshet, Pune, Feed Mill and Oilseed plant at Solapur, poultry farm at Village Bhigwan and SPF plant at Pasure Bhor. Further ECB - I is secured by an exclusive hypothecation of movable assets of the company acquired/to be acquired from the loan facilities extended by the bank.

**(vi) External commercial borrowings - II (Secured) :**

The Company has availed external commercial borrowing (ECB - II) from ICICI Bank Limited amounting to Rupees 6,747.53 Lacs outstanding as at 31<sup>st</sup> March, 2015 (previous year Rupees 6,468.69 Lacs) for financing its expansion plans. ECB - II is repayable in 11 half yearly predetermined installments commencing from 5<sup>th</sup> August, 2015 and is denominated in US\$. It carries an interest rate of 6 month USD LIBOR plus 4.25 percent per annum. Taking the currency risks in the cash flows arising out of fluctuations of USD LIBOR rates and also the currency fluctuations, the Company has entered into hedge agreements with its bankers. Further the repayment of said liability in respect of the ECB - II is also fixed at predetermined exchange rate pursuant to the hedge agreements subject to caps. ECB - II is secured by an exclusive charge on the properties of the Company situated at Village Tondal, Taluka Purandar, District Pune and at Village Kouthadi, Taluka Daund, District Pune and extension of charge on land and buildings at Khadki and processing plant situated at Village Baur, Kamshet already charged to ICICI Bank Limited.

**(vii) Deferred payment liabilities (Unsecured) :**

The deferred sales tax liabilities shall be repaid in equal annual installments not exceeding five such installments at the expiry of 10<sup>th</sup> year. The details of which are as stated below :

(Rupees in Lacs)

| Particulars                         | Animal Health products division |                             |
|-------------------------------------|---------------------------------|-----------------------------|
|                                     | Scheme 01*                      | Scheme 02*                  |
| Deferred sales tax liability amount | 1.90                            | 1.92                        |
| Deferment scheme started from       | 30 <sup>th</sup> April 2002     | 30 <sup>th</sup> April 2003 |
| Instalments will start from         | 30 <sup>th</sup> April 2012     | 30 <sup>th</sup> April 2013 |

\* The above schemes are interest free.

(Rupees in Lacs)

**2.2 DEFERRED TAX LIABILITIES (NET)**

**Deferred tax liabilities**

Depreciation/Amortisation

(a)

**Deferred tax assets**

Employee benefits

Provision for doubtful debts

Others<sup>2</sup>

(b)

**Deferred tax liabilities (net)**

**Total (a-b)**

**Note :**

- Deferred tax assets - others represent deferred tax asset in respect of items which are allowed under Income Tax Act, 1961 on a payment basis.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                        | (Rupees in Lacs)                      |                                       |
|--------------------------------------------------------|---------------------------------------|---------------------------------------|
|                                                        | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>2.3 OTHER LONG-TERM LIABILITIES</b>                 |                                       |                                       |
| <b>Others</b>                                          |                                       |                                       |
| Security deposits                                      | 180.22                                | 127.51                                |
| Statutory dues                                         | —                                     | 11.20                                 |
| <b>Total</b>                                           | <b>180.22</b>                         | <b>138.71</b>                         |
| <b>2.4 LONG TERM PROVISIONS</b>                        |                                       |                                       |
| Provision for employee benefits - Compensated absences | 709.96                                | 573.29                                |
| <b>Total</b>                                           | <b>709.96</b>                         | <b>573.29</b>                         |
| <b>3.1 SHORT TERM BORROWINGS</b>                       |                                       |                                       |
| <b>Secured</b>                                         |                                       |                                       |
| <b>Loans repayable on demand</b>                       |                                       |                                       |
| From banks - Cash credit facilities                    | 3,271.75                              | 2,076.22                              |
| <b>Others - from banks</b>                             |                                       |                                       |
| External commercial borrowings                         | 1,988.27                              | —                                     |
| Short term loans                                       | 20,269.89                             | 12,534.93                             |
| <b>Unsecured</b>                                       |                                       |                                       |
| From banks - Working capital facilities                | 17,996.96                             | 20,988.00                             |
| Loans and advances from related parties                | 3,413.00                              | —                                     |
| <b>Total</b>                                           | <b>46,939.87</b>                      | <b>35,599.15</b>                      |

### The details of securities :

#### (i) Loan repayable on demand :

The cash credit facilities except cash credit taken from ICICI Bank are secured by way of first charge on the entire current assets of the Company on pari passu basis.

#### (ii) External commercial borrowings :

The short-term loan from ICICI Bank Limited in USD amounting to Rupees 1,988.27 lacs and cash credit facilities in Rupees amounting to Rupees 374.68 lacs outstanding as at 31<sup>st</sup> March, 2015 (previous year Rupees Nil) is secured on first charge by way of hypothecation of the company's entire stocks of raw materials, semi-finished and finished goods, consumables stores and spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank, ranking pari passu with other participating consortium banks.

#### (iii) Short term loans :

- The short-term loans from State Bank of India, Industrial Development Bank of India and HDFC Bank amounting to Rupees 12,943.00 lacs (previous year Rupees 7,575.00 lacs) are secured by way of hypothecation of first charge on all current assets of the company on pari passu basis.
- The short-term loan from ICICI Bank Limited amounting to Rupees 7,326.89 lacs outstanding as at 31<sup>st</sup> March, 2015 (previous year Rupees 4,959.93 lacs) is secured by an extension of charge on land and buildings located at (a) Village Dikadla, Tehsil Samalkha, Dist. Panipat, State Haryana, (b) Plot No.55, Sansarpur terrace, Dist. Kangra, State Himachal Pradesh, (c) Village Laider, Tehsil Bara, District Allahabad, State Uttar Pradesh, (d) Processing Plant at Baur Kamshet, Pune, (e) Feed Mill and Oilseed Plant at Solapur, (f) Poultry farm at Village Bhigwan and (g) SPF Plant at Pasure Bhor and by way of hypothecation of movable fixed assets acquired/ to be acquired out of Rupee term loan and external commercial borrowings obtained from ICICI Bank Limited at these locations.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                          | (Rupees in Lacs)                      |                                       |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                          | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>3.2 TRADE PAYABLES</b>                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                       |                                       |
| Dues to Micro and Small Enterprises <sup>3</sup>          |                                                                                                                                                                                                                                                                                                                                                                                                                                          | —                                     | —                                     |
| Others                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <u>17,873.95</u>                      | <u>14,358.22</u>                      |
| <b>Total</b>                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <u><b>17,873.95</b></u>               | <u><b>14,358.22</b></u>               |
| <b>Note :</b>                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                       |                                       |
| 3.                                                        | Under Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 <sup>nd</sup> October, 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises. Accordingly, information relating to disclosure under the said Act has been given only to the extent such information is readily available with the Company. This information has been relied upon by the auditors. |                                       |                                       |
| <b>3.3 OTHER CURRENT LIABILITIES</b>                      |                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                       |                                       |
| Current maturities of long-term debt (Refer note no. 2.1) |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>4,645.26</b>                       | 3,794.23                              |
| Interest accrued but not due on borrowings                |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>769.88</b>                         | 601.16                                |
| Advance from customers                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1,899.10</b>                       | 1,080.01                              |
| Unclaimed dividends <sup>4</sup>                          |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>78.46</b>                          | 70.10                                 |
| Other payables                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                       |                                       |
| Payable against capital goods                             |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>473.89</b>                         | 595.16                                |
| Other creditors                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1,660.55</b>                       | 1,473.07                              |
| Statutory dues <sup>5</sup>                               |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>350.00</b>                         | 503.82                                |
| Payable to employees                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>932.40</b>                         | 564.78                                |
| Bank overdrafts accounts                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>60.55</b>                          | —                                     |
| Security deposits                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>8.67</b>                           | 38.20                                 |
| Payable to trade associations towards contributions       |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>84.94</b>                          | 70.69                                 |
| Deferred premium account (Net)                            |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>73.65</b>                          | —                                     |
| Other liabilities                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>19.26</b>                          | 18.26                                 |
| <b>Total</b>                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                          | <u><b>11,056.61</b></u>               | <u><b>8,809.48</b></u>                |

**Notes :**

4. There are no amounts due and outstanding to be credited to Investors Education and Protection Fund as at 31<sup>st</sup> March, 2015.
5. Statutory dues as at 31<sup>st</sup> March, 2015 include stamp duty payable of Rupees 88.49 Lacs (Previous year Rupees 214.27 Lacs) on land and buildings for which registration of sale deed is yet to be executed and registered.



## Venky's (India) Limited

|                                        |     | (Rupees in Lacs)                      |                                       |
|----------------------------------------|-----|---------------------------------------|---------------------------------------|
|                                        |     | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>3.4 SHORT TERM PROVISIONS</b>       |     |                                       |                                       |
| <b>Provision for employee benefits</b> |     |                                       |                                       |
| Compensated absences                   |     | 100.04                                | 79.49                                 |
| Gratuity                               |     | 403.52                                | 14.32                                 |
|                                        | (a) | <u>503.56</u>                         | <u>93.81</u>                          |
| <b>Others</b>                          |     |                                       |                                       |
| Proposed dividend                      |     | 469.58                                | 469.58                                |
| Dividend distribution tax              |     | 95.60                                 | 79.80                                 |
|                                        | (b) | <u>565.18</u>                         | <u>549.38</u>                         |
| <b>Total (a+b)</b>                     |     | <u><u>1,068.74</u></u>                | <u><u>643.19</u></u>                  |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 4.1 FIXED ASSETS

| Description                        | Gross Block                             |                                    |                                                                                         |                          |                                  | Depreciation / Amortisation              |                    |                                                          |                                                        |                                     | (Rupees in Lacs)                         |                                          |
|------------------------------------|-----------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------|--------------------------|----------------------------------|------------------------------------------|--------------------|----------------------------------------------------------|--------------------------------------------------------|-------------------------------------|------------------------------------------|------------------------------------------|
|                                    | As at<br>1 <sup>st</sup> April,<br>2014 | Additions<br>during<br>the<br>year | Addition on<br>business<br>acquisition<br>(under slump<br>sale) (Refer<br>note no. 5.8) | Adjustments <sup>7</sup> | Deductions<br>during<br>the year | As at<br>31 <sup>st</sup> March,<br>2015 | For<br>the<br>Year | Adjustment<br>Due to<br>change in<br>method <sup>9</sup> | Adjustment<br>with<br>general<br>reserve <sup>10</sup> | Deductions<br>during<br>the<br>year | As at<br>31 <sup>st</sup> March,<br>2015 | As at<br>31 <sup>st</sup> March,<br>2014 |
| <b>Tangible assets<sup>6</sup></b> |                                         |                                    |                                                                                         |                          |                                  |                                          |                    |                                                          |                                                        |                                     |                                          |                                          |
| Freehold land <sup>8</sup>         | 6,609.98                                | 160.91                             | -                                                                                       | -                        | 11.28                            | 6,759.61                                 | -                  | -                                                        | -                                                      | -                                   | 6,759.61                                 | 6,609.98                                 |
| Leasehold land                     | 327.04                                  | 18.51                              | -                                                                                       | -                        | -                                | 345.55                                   | -                  | -                                                        | -                                                      | -                                   | 345.55                                   | 327.04                                   |
| Buildings <sup>8</sup>             | 20,928.39                               | 2,900.71                           | -                                                                                       | 122.10                   | 1.13                             | 23,950.07                                | 737.01             | (80.64)                                                  | 317.91                                                 | 1.13                                | 19,520.70                                | 17,472.17                                |
| Plant and Equipment                | 19,680.40                               | 3,411.73                           | -                                                                                       | 91.73                    | 165.38                           | 23,018.48                                | 7,010.46           | (60.98)                                                  | 138.52                                                 | 110.22                              | 14,899.35                                | 12,669.94                                |
| Furniture & Fixtures               | 672.79                                  | 269.11                             | -                                                                                       | -                        | 11.90                            | 930.00                                   | 277.99             | (1.38)                                                   | 8.27                                                   | 11.86                               | 552.52                                   | 394.80                                   |
| Vehicles                           | 1,377.66                                | 78.34                              | -                                                                                       | -                        | 17.67                            | 1,438.33                                 | 694.97             | (6.47)                                                   | 8.44                                                   | 12.43                               | 615.85                                   | 682.69                                   |
| Office Equipments                  | 1,237.48                                | 216.91                             | -                                                                                       | -                        | 125.93                           | 1,328.46                                 | 725.10             | (1.96)                                                   | 78.34                                                  | 125.90                              | 416.26                                   | 512.38                                   |
| Electrical Installation            | 4,691.69                                | 677.46                             | -                                                                                       | -                        | 26.36                            | 5,342.79                                 | 1,519.94           | (3.61)                                                   | 143.41                                                 | 25.91                               | 3,200.01                                 | 3,171.75                                 |
| <b>(a)</b>                         | <b>55,525.43</b>                        | <b>7,733.68</b>                    | <b>-</b>                                                                                | <b>213.83</b>            | <b>359.65</b>                    | <b>63,113.29</b>                         | <b>2,866.36</b>    | <b>(155.04)</b>                                          | <b>694.89</b>                                          | <b>287.45</b>                       | <b>16,803.44</b>                         | <b>41,840.75</b>                         |
| <b>Intangible assets</b>           |                                         |                                    |                                                                                         |                          |                                  |                                          |                    |                                                          |                                                        |                                     |                                          |                                          |
| Goodwill                           | 1,584.68                                | -                                  | -                                                                                       | -                        | -                                | 1,584.68                                 | 316.94             | -                                                        | -                                                      | -                                   | 1,267.74                                 | 1,584.68                                 |
| Computer Software                  | 275.86                                  | 0.40                               | -                                                                                       | -                        | 57.62                            | 218.64                                   | 232.67             | -                                                        | -                                                      | 57.62                               | 199.60                                   | 43.19                                    |
| Technical Know How                 | 49.24                                   | -                                  | -                                                                                       | -                        | -                                | 49.24                                    | 49.24              | -                                                        | -                                                      | -                                   | -                                        | -                                        |
| License Cost                       | 33.71                                   | -                                  | -                                                                                       | -                        | -                                | 33.71                                    | 13.48              | 6.74                                                     | -                                                      | -                                   | 20.22                                    | 20.22                                    |
| <b>(b)</b>                         | <b>1,943.49</b>                         | <b>0.40</b>                        | <b>-</b>                                                                                | <b>-</b>                 | <b>57.62</b>                     | <b>1,886.27</b>                          | <b>295.39</b>      | <b>348.23</b>                                            | <b>-</b>                                               | <b>57.62</b>                        | <b>586.00</b>                            | <b>1,300.27</b>                          |
| <b>Total (a) + (b)</b>             | <b>57,468.92</b>                        | <b>7,734.08</b>                    | <b>-</b>                                                                                | <b>213.83</b>            | <b>417.27</b>                    | <b>64,999.56</b>                         | <b>3,214.59</b>    | <b>(155.04)</b>                                          | <b>694.89</b>                                          | <b>345.07</b>                       | <b>17,389.44</b>                         | <b>47,610.12</b>                         |
| <b>Previous Year</b>               | <b>38,496.72</b>                        | <b>14,956.30</b>                   | <b>3,966.58</b>                                                                         | <b>409.97</b>            | <b>360.65</b>                    | <b>57,468.92</b>                         | <b>12,187.32</b>   | <b>-</b>                                                 | <b>-</b>                                               | <b>131.43</b>                       | <b>13,980.07</b>                         | <b>43,488.85</b>                         |

#### Notes:

- 6 Opening figures are reclassified with adoption of classification as prescribed in Part C of Schedule II of the Companies Act, 2013 (the "Act").
- 7 This represent additions in connection with or on account of capitalisation of borrowing costs as part of qualifying asset.
- 8 Include land and buildings with book value of Rupees 317.72 and rupees 869.22 lacs for which sale deed is yet to be executed as at 31 March, 2015.
- 9 Effective 01<sup>st</sup> April, 2014, the Company has with retrospective effect changed its method of providing depreciation on fixed assets related to Narmada Division from the 'Written Down Value' method to the 'Straight Line' method. Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets. Accordingly, an amount of Rupees 155.04 lacs relating to period up to 31<sup>st</sup> March, 2014 has been recognized and disclosed as exceptional income by the Company. This change in method together with adoption of estimated useful life as prescribed in Part C of Schedule II of the Companies Act, 2013 has resulted into reduction of depreciation by Rupees 24.94 lacs for the year ended 31<sup>st</sup> March, 2015. Had the Company continued to use the earlier method of depreciation, the profit after tax for the year ended 31<sup>st</sup> March, 2015 would have been lower by Rupees 16.46 lacs.
- 10 As per the provisions of the Act, the management has decided to adopt the useful lives as prescribed in Part C of Schedule II of the Act, with effect from 01<sup>st</sup> April, 2014 for all its fixed assets. Accordingly, an additional depreciation of Rupees 622.78 lacs has been recognised for the year in the statement of profit and loss. In accordance with the transitional provisions under Note 7(b) to Part C of Schedule II of the Act, the Company has recognised an amount of Rupees 694.89 lacs (net off of deferred tax Rupees 454.40 lacs) in the opening retained earnings, pertaining to assets whose balance useful life was Nil as at 01<sup>st</sup> April, 2014, pursuant to such adoption.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 4.1 FIXED ASSETS (Contd.)

(Rupees in Lacs)

c. Include assets given on operating lease :

| Description              | Gross Block                             |                           | Depreciation / Amortization              |                    |                           | Net Carrying Value                       |                                          |
|--------------------------|-----------------------------------------|---------------------------|------------------------------------------|--------------------|---------------------------|------------------------------------------|------------------------------------------|
|                          | As at<br>1 <sup>st</sup> April,<br>2014 | Adjustments <sup>11</sup> | As at<br>31 <sup>st</sup> March,<br>2015 | For<br>the<br>year | Adjustments <sup>11</sup> | As at<br>31 <sup>st</sup> March,<br>2015 | As at<br>31 <sup>st</sup> March,<br>2014 |
| Buildings                | 607.33                                  | 179.56                    | 786.89                                   | 19.49              | 27.59                     | 341.60                                   | 343.83                                   |
| Plant and equipment      | 298.64                                  | 294.60                    | 593.24                                   | 21.58              | 85.13                     | 312.45                                   | 95.30                                    |
| Furniture and fixtures   | 16.71                                   | 0.07                      | 16.78                                    | 0.01               | 0.03                      | 16.70                                    | 0.29                                     |
| Vehicles                 | 4.01                                    | -                         | 4.01                                     | -                  | -                         | 4.01                                     | -                                        |
| Office equipments        | 16.01                                   | 0.76                      | 16.77                                    | 0.13               | 0.22                      | 16.27                                    | 1.78                                     |
| Electrical installations | 82.70                                   | 85.51                     | 168.21                                   | 20.73              | 22.52                     | 93.10                                    | 33.04                                    |
| <b>Total</b>             | <b>1,025.41</b>                         | <b>560.50</b>             | <b>1,585.91</b>                          | <b>61.94</b>       | <b>135.49</b>             | <b>784.13</b>                            | <b>474.24</b>                            |

11 Adjustments represents lease entered into/cancelled during the year.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                                                           | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|-------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| (Rupees in Lacs)                                                                          |                                       |                                       |
| <b>4.2 LONG-TERM LOANS AND ADVANCES</b>                                                   |                                       |                                       |
| <b>(Unsecured, considered good except as otherwise stated)</b>                            |                                       |                                       |
| Capital advances*                                                                         | 10,804.41                             | 2,867.69                              |
| Security deposits**                                                                       |                                       |                                       |
| Considered good                                                                           | 682.66                                | 574.51                                |
| Considered doubtful                                                                       | 8.20                                  | —                                     |
|                                                                                           | 690.86                                | 574.51                                |
| Less: Provision for doubtful deposits                                                     | 8.20                                  | —                                     |
|                                                                                           | 682.66                                | 574.51                                |
| Other loans and advances                                                                  |                                       |                                       |
| Loans and advances to employees                                                           | 58.22                                 | 68.84                                 |
| Payments under protest                                                                    | 509.80                                | 420.88                                |
| Balances with Government authorities                                                      | 80.84                                 | 82.32                                 |
| Taxes paid (net of provisions for taxes)                                                  | 1,651.10                              | 1,303.29                              |
| <b>Total</b>                                                                              | <b>13,787.03</b>                      | <b>5,317.53</b>                       |
| <b>* Capital advances includes</b>                                                        |                                       |                                       |
| (a) Private companies in which some of the directors of the Company are directors/members |                                       |                                       |
| - Venkateshwara Hatcheries Private Limited (holding company)                              | 10,000.00                             | 2,100.00                              |
| <b>** Include deposits from</b>                                                           |                                       |                                       |
| (a) Private companies in which some of the directors of the Company are directors/members |                                       |                                       |
| - Venkateshwara Hatcheries Private Limited (holding company)                              | 140.68                                | 139.68                                |
| <b>4.3 OTHER NON-CURRENT ASSETS</b>                                                       |                                       |                                       |
| <b>(Unsecured, considered good)</b>                                                       |                                       |                                       |
| Balances with banks held as margin money against guarantees <sup>12</sup>                 | 4.63                                  | 38.59                                 |
| Interest accrued but not due                                                              | —                                     | 23.76                                 |
| Derivative asset <sup>13</sup>                                                            | 2,493.65                              | 2,446.35                              |
| <b>Total</b>                                                                              | <b>2,498.28</b>                       | <b>2,508.70</b>                       |

**Notes:**

12 Represents restricted bank balances against guarantees.

13 As per valuation carried out by an independent valuer as at 31<sup>st</sup> March, 2015.



Venky's (India) Limited

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

### 5.1 CURRENT INVESTMENTS

| As at<br>31 <sup>st</sup> March,<br>2015<br>(No. of<br>Units)                                                        | As at<br>31 <sup>st</sup> March,<br>2014<br>(No. of<br>Units) |                                                                | As at<br>31 <sup>st</sup> March,<br>2015 | As at<br>31 <sup>st</sup> March,<br>2014 |
|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------|------------------------------------------|
| <b>UNQUOTED INVESTMENTS IN MUTUAL FUNDS</b><br>(Units of face value of Rupees 10/- each,<br>unless otherwise stated) |                                                               |                                                                |                                          |                                          |
| <b>HDFC Mutual Fund</b>                                                                                              |                                                               |                                                                |                                          |                                          |
| —                                                                                                                    | 255,609                                                       | HDFC Cash Management Fund - TAP -Retail                        | —                                        | 69.66                                    |
| <b>3,299,261</b>                                                                                                     | 52,948                                                        | HDFC Liquid Fund - Growth                                      | <b>909.39</b>                            | 13.39                                    |
| <b>DSP Black Rock Mutual Fund</b><br>(Units of face value of Rupees 1000/- each)                                     |                                                               |                                                                |                                          |                                          |
| <b>1,689</b>                                                                                                         | 5,597                                                         | DSP Black Rock Money Manager Fund Regular -                    | <b>31.71</b>                             | 97.29                                    |
| <b>Birla Sun Life Mutual Fund</b><br>(Units of face value of Rupees 100/- each)                                      |                                                               |                                                                |                                          |                                          |
| <b>35,098</b>                                                                                                        | 9,200                                                         | Birla Sun Life Savings Fund - Growth -<br>Regular Plan         | <b>94.21</b>                             | 22.59                                    |
| —                                                                                                                    | 1,226                                                         | Birla Sun Life Cash Manager - Growth -<br>Regular Plan         | —                                        | 3.78                                     |
| —                                                                                                                    | 1,230                                                         | Birla Sun Life Savings Fund - Daily Dividend -<br>Regular Plan | —                                        | 1.24                                     |
| <b>L&amp;T Mutual Fund</b>                                                                                           |                                                               |                                                                |                                          |                                          |
| <b>519,501</b>                                                                                                       | 24,046,323                                                    | L & T Ultra Short Term Loan Fund - Growth                      | <b>117.43</b>                            | 5,000.00                                 |
| <b>SBI Magnum Insta Cash Funds</b><br>(Units of face value of Rupees 100/- each)                                     |                                                               |                                                                |                                          |                                          |
| <b>161,872</b>                                                                                                       | —                                                             | SBI Income Fund                                                | <b>5,000.00</b>                          | —                                        |
| <b>Total</b>                                                                                                         |                                                               |                                                                | <b>6,152.74</b>                          | 5,207.95                                 |
| Aggregate amount of unquoted investments                                                                             |                                                               |                                                                | <b>6,152.74</b>                          | 5,207.95                                 |
| Aggregate provision made for diminution in value of<br>investments                                                   |                                                               |                                                                | —                                        | —                                        |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                                                           |            | (Rupees in Lacs)                      |                                       |
|-------------------------------------------------------------------------------------------|------------|---------------------------------------|---------------------------------------|
|                                                                                           |            | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>5.2 INVENTORIES</b>                                                                    |            |                                       |                                       |
| (As taken, valued and certified by the management)                                        |            |                                       |                                       |
| Poultry for livestock breeding                                                            |            | 6,058.96                              | 5,546.36                              |
| Raw materials and packing materials                                                       |            | 7,052.42                              | 7,315.32                              |
| Raw material in transit                                                                   |            | 127.97                                | 16.90                                 |
| Work-in-Progress                                                                          |            | 4,789.21                              | 4,643.27                              |
| Finished goods                                                                            |            | 2,023.51                              | 1,415.99                              |
| Finished goods-in-transit                                                                 |            | —                                     | 3.74                                  |
| Stock-in-trade                                                                            |            | 365.62                                | 280.76                                |
| Stores and spares                                                                         |            | 665.51                                | 653.18                                |
| <b>Total</b>                                                                              |            | <b>21,083.20</b>                      | <b>19,875.52</b>                      |
| <b>5.3 TRADE RECEIVABLES</b>                                                              |            |                                       |                                       |
| <b>(Unsecured, considered good*)</b>                                                      |            |                                       |                                       |
| Outstanding for a period exceeding six months from the date they are due for payment      |            |                                       |                                       |
| Considered good                                                                           |            | 1,621.47                              | 804.48                                |
| Considered doubtful                                                                       |            | 560.20                                | 298.28                                |
|                                                                                           |            | <b>2,181.67</b>                       | <b>1,102.76</b>                       |
| Less: Provision for doubtful debts                                                        |            | 560.20                                | 298.28                                |
| <b>(a)</b>                                                                                |            | <b>1,621.47</b>                       | <b>804.48</b>                         |
| Other debts                                                                               | <b>(b)</b> | <b>21,331.24</b>                      | <b>15,890.44</b>                      |
| <b>Total</b>                                                                              |            | <b>22,952.71</b>                      | <b>16,694.92</b>                      |
| <b>* Include dues from</b>                                                                |            |                                       |                                       |
| (a) Private companies in which some of the directors of the Company are directors/members |            |                                       |                                       |
| - Venkateshwara Hatcheries Private Limited                                                |            | 14,333.17                             | 10,144.70                             |
| - Eastern Hatcheries Private Limited                                                      |            | 254.52                                | 156.85                                |
| - Bala Industries & Entertainment Private Limited                                         |            | 581.51                                | 510.99                                |
| - Uttara Foods & Feeds Private Limited                                                    |            | 2,196.73                              | 1,170.64                              |
| - Venkateshwara Research & Breeding Farm Private Limited                                  |            | —                                     | 67.59                                 |
| (b) Firms in which some of the directors of the Company are partners                      |            |                                       |                                       |
| - Venkateshwara Foods and Feeds                                                           |            | 1,309.88                              | 890.27                                |



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                                           | As at<br>31 <sup>st</sup> March, 2015 | (Rupees in Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|---------------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------|
| <b>5.4 CASH AND BANK BALANCES</b>                                         |                                       |                                                           |
| <b>Cash and cash equivalents</b>                                          |                                       |                                                           |
| Balances with banks in:                                                   |                                       |                                                           |
| - Current accounts                                                        | 1,371.55                              | 916.77                                                    |
| - Deposit accounts with original maturity of less than three months       | —                                     | 300.00                                                    |
| - Unclaimed dividend accounts <sup>14</sup>                               | 78.46                                 | 70.10                                                     |
| Cheques, drafts on hand                                                   | 568.22                                | 729.42                                                    |
| Cash on hand                                                              | 206.28                                | 326.87                                                    |
| <b>(a)</b>                                                                | <b>2,224.51</b>                       | <b>2,343.16</b>                                           |
| <b>Other bank balances</b>                                                |                                       |                                                           |
| Bank Deposits <sup>15</sup>                                               | 16,435.22                             | 15,160.64                                                 |
| Balances with banks held as margin money against guarantees <sup>16</sup> | 137.80                                | 60.00                                                     |
| <b>(b)</b>                                                                | <b>16,573.02</b>                      | <b>15,220.64</b>                                          |
| <b>Total (a+b)</b>                                                        | <b>18,797.53</b>                      | <b>17,563.80</b>                                          |

**Notes :**

14. Represents restricted bank balances on account of unclaimed dividends.
15. Bank deposits represents restricted bank balances amounting to Rs. 16,383.00 (previous year Rs. 13,583.00) marked as lien for loan taken by group companies.
16. Represents restricted bank balances against guarantees.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                             | (Rupees in Lacs)                      |                                       |
|-------------------------------------------------------------|---------------------------------------|---------------------------------------|
|                                                             | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>5.5 SHORT-TERM LOANS AND ADVANCES</b>                    |                                       |                                       |
| <b>(Unsecured, considered good)</b>                         |                                       |                                       |
| Other loans and advances                                    |                                       |                                       |
| Inter-corporate loans                                       | 7,145.00                              | 7,145.00                              |
| Loans and advances to employees                             | 151.31                                | 130.56                                |
| Advances to suppliers                                       | 257.75                                | 202.06                                |
| Prepayments                                                 | 174.99                                | 130.07                                |
| Security deposits                                           | 84.49                                 | 48.43                                 |
| Balances with Government Authorities                        | 10.31                                 | 7.97                                  |
| <b>Total</b>                                                | <b>7,823.85</b>                       | <b>7,664.09</b>                       |
| <b>5.6 OTHER CURRENT ASSETS</b>                             |                                       |                                       |
| <b>(Unsecured, considered good)</b>                         |                                       |                                       |
| Interest accrued but not due                                | 346.26                                | 661.73                                |
| Other receivables                                           | 67.43                                 | 61.01                                 |
| <b>Total</b>                                                | <b>413.69</b>                         | <b>722.74</b>                         |
| <b>5.7 CONTINGENT LIABILITIES AND COMMITMENTS</b>           |                                       |                                       |
| <b>(TO THE EXTENT NOT PROVIDED FOR)</b>                     |                                       |                                       |
| <b>Contingent liabilities<sup>17</sup></b>                  |                                       |                                       |
| <b>Claims against the company not acknowledged as debt;</b> |                                       |                                       |
| Income tax matters in dispute                               | 87.03                                 | 62.25                                 |
| Non agriculture tax in dispute                              | —                                     | 4.24                                  |
| Sales tax demands in dispute                                | 375.19                                | 480.73                                |
| Excise duty demands in dispute                              | 320.56                                | 206.68                                |
| Electricity demands in dispute                              | 252.48                                | 421.01                                |
| Labour wages in dispute                                     | 2.70                                  | 16.88                                 |
| Service tax demands in dispute                              | 64.90                                 | 64.90                                 |
| Other demands in dispute                                    | 31.25                                 | 25.00                                 |

**Notes :**

17. The Company is subject to legal proceedings and claims, which have arisen during the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial conditions.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                            |                                                                                                                                                                                                                     | (Rupees in Lacs)                      |                              |                                         |                                |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------|-----------------------------------------|--------------------------------|
|                                            |                                                                                                                                                                                                                     | As at<br>31 <sup>st</sup> March, 2015 |                              | As at<br>31 <sup>st</sup> March, 2014   |                                |
| <b>Committments</b>                        |                                                                                                                                                                                                                     |                                       |                              |                                         |                                |
| (i)                                        | Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)                                                                                                    | <b>3,294.33</b>                       |                              | 531.91                                  |                                |
| (ii)                                       | Other commitments                                                                                                                                                                                                   | —                                     |                              | —                                       |                                |
| (a)                                        | Hedge agreement to buy (US\$)                                                                                                                                                                                       |                                       |                              |                                         |                                |
|                                            |                                                                                                                                                                                                                     | <b>2014-15<br/>In Lacs<br/>(US\$)</b> | 2013-14<br>In Lacs<br>(US\$) | <b>2014-15<br/>(Rupees<br/>in Lacs)</b> | 2013-14<br>(Rupees in<br>Lacs) |
| <b>External commercial borrowings - I</b>  |                                                                                                                                                                                                                     |                                       |                              |                                         |                                |
|                                            | Hedge of external commercial borrowings principal repayment                                                                                                                                                         | <b>150.41</b>                         | 159.53                       | <b>9,399.43</b>                         | 9,557.47                       |
|                                            | Interest rate swap against exposure to variable interest outflow on external commercial borrowings, swap to pay fixed interest @ 12.00% and receive a variable interest @ 6 months USD LIBOR and applicable margin. |                                       |                              |                                         |                                |
|                                            | Notional amount                                                                                                                                                                                                     | <b>136.74</b>                         | 145.03                       | <b>8,544.94</b>                         | 8,688.60                       |
|                                            | Interest rate swap against exposure to variable interest outflow on external commercial borrowings, swap to pay fixed interest @ 12.60% and receive a variable interest @ 6 months USD LIBOR and applicable margin. |                                       |                              |                                         |                                |
|                                            | Notional amount                                                                                                                                                                                                     | <b>13.67</b>                          | 14.50                        | <b>854.49</b>                           | 868.86                         |
| <b>External commercial borrowings - II</b> |                                                                                                                                                                                                                     |                                       |                              |                                         |                                |
|                                            | Hedge of external commercial borrowings principal repayment                                                                                                                                                         | <b>107.97</b>                         | 107.97                       | <b>6,747.53</b>                         | 6,468.69                       |
|                                            | Interest rate swap against exposure to variable interest outflow on external commercial borrowings, swap to pay fixed interest @ 7.50% and receive a variable interest @ 6 months USD LIBOR and applicable margin   |                                       |                              |                                         |                                |
|                                            | Notional amount                                                                                                                                                                                                     | <b>107.97</b>                         | 107.97                       | <b>6,747.53</b>                         | 6,468.69                       |
|                                            | Options against hedging foreign currency risk, (Net) Premium to be paid @ 5.15% on the outstanding INR on quarterly basis.                                                                                          | <b>19.87</b>                          | 25.49                        | <b>1,241.98</b>                         | 1,527.20                       |
| <b>Short term borrowings</b>               |                                                                                                                                                                                                                     |                                       |                              |                                         |                                |
|                                            | Hedge of short term borrowings principal repayment                                                                                                                                                                  | <b>31.82</b>                          | —                            | <b>1,988.21</b>                         | —                              |
|                                            | Interest rate swap against exposure to variable interest outflow on short term borrowings, swap to pay fixed interest @ 0.55% and receive a variable interest @ 3 months USD LIBOR and applicable margin            |                                       |                              |                                         |                                |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 5.8 BUSINESS ACQUISITION

With an aim to consolidate poultry operations in Northern India, thereby increasing operational efficiency due to synergy and to strengthen the geographical presence of the Company in Northern India, during the year under report, the Company has acquired North based poultry and packaging divisions of Venkateshwara Hatcheries Private Limited (articulated as 'North Poultry Division' or 'NPD', 'North Packaging Division' or 'NPAD') situated at Naraingarh - Haryana, Nalagarh - Himanchal Pradesh and Ludhiana - Punjab with effect from 31<sup>st</sup> March, 2014 ('the effective date'). These divisions are engaged into production of commercial layer chicks and packing boxes for day old chicks and eggs. The aggregate cost of acquisition is around Rupees 7,501.82 Lacs and the same will be completed by using a combination of slump sale and itemized sale methods.

The total purchase consideration agreed for the business transfer by way of slump sale is Rupees 4,168 Lacs. Pursuant to business transfer, the Company has valued land, buildings and plant & machinery by an independent valuer as at the effective date of transfer for the purpose of allocation of purchase consideration. The goodwill arising on acquisition of NPD and NPAD amounting to Rupees 1,584.68 Lacs has been treated as an intangible asset. The details of assets purchased and liabilities acquired on said business acquisition by way of slump sale are as follows :

#### Assets/Liabilities acquired by way of slump sale :

|                                             | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---------------------------------------------|---------------------------------------|---------------------------------------|
| <b>ASSETS</b>                               |                                       |                                       |
| Tangible fixed assets (Refer note no.4.1)   | —                                     | 2,381.22                              |
| Intangible fixed assets (Refer note no.4.1) | —                                     | 0.68                                  |
| Long-term loans and advances                | —                                     | 23.58                                 |
| Inventories                                 | —                                     | 762.76                                |
| Trade receivables                           | —                                     | 32.00                                 |
| Cash and bank balances                      | —                                     | 31.83                                 |
| Short-term loans and advances               | —                                     | 4.83                                  |
| <b>(a)</b>                                  | —                                     | 3,236.90                              |
| <b>LIABILITIES</b>                          |                                       |                                       |
| Long-term provisions                        | —                                     | 50.93                                 |
| Trade payables                              | —                                     | 297.17                                |
| Other current liabilities                   | —                                     | 305.48                                |
| <b>(b)</b>                                  | —                                     | 653.58                                |
| <b>NET ASSETS</b>                           | <b>Total (a) - (b)</b>                | 2,583.32                              |



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|                                    |                          | (Rupees in Lacs)                                   |                   |                                                    |                   |
|------------------------------------|--------------------------|----------------------------------------------------|-------------------|----------------------------------------------------|-------------------|
|                                    |                          | For the year ended<br>31 <sup>st</sup> March, 2015 |                   | For the year ended<br>31 <sup>st</sup> March, 2014 |                   |
| <b>6.1 REVENUE FROM OPERATIONS</b> |                          |                                                    |                   |                                                    |                   |
|                                    | <b>Unit<sup>18</sup></b> | <b>Quantity<sup>18</sup></b>                       | <b>Amount</b>     | <b>Quantity<sup>18</sup></b>                       | <b>Amount</b>     |
| <b>Sale of products</b>            |                          |                                                    |                   |                                                    |                   |
| Day old commercial chicks          | Nos.                     | 107,300,522                                        | 26,010.68         | 78,105,659                                         | 18,798.57         |
| S.P.F. eggs                        | Nos.                     | 7,793,097                                          | 4,241.26          | 6,498,531                                          | 3,173.47          |
| Grownup commercial broiler         | Kgs.                     | 59,169,409                                         | 38,592.93         | 76,624,278                                         | 49,266.04         |
| Grownup commercial layer           | Nos.                     | 714,841                                            | 1,364.66          | 694,851                                            | 1,295.38          |
| Processed chicken                  | Kgs.                     | 7,515,110                                          | 16,051.49         | 6,872,178                                          | 14,509.43         |
| Animal health products             |                          |                                                    |                   |                                                    |                   |
| Powder                             | M.T.                     | 5,264                                              | 10,493.37         | 4,737                                              | 8,912.68          |
| Liquid                             | K.L.                     | 1,977                                              | 2,580.82          | 1,898                                              | 2,467.00          |
| Poultry feed                       | M.T.                     | 34,741                                             | 8,065.43          | 39,950                                             | 9,282.69          |
| Refined oil                        | M.T.                     | 26,791                                             | 16,457.17         | 27,090                                             | 17,659.86         |
| De-oiled cake for poultry feed     | M.T.                     | 124,091                                            | 43,587.19         | 124,156                                            | 43,922.98         |
|                                    | <b>(a)</b>               |                                                    | <b>167,445.00</b> |                                                    | <b>169,288.10</b> |
| <b>Other operating revenues</b>    |                          |                                                    |                   |                                                    |                   |
| Grown up parents                   |                          |                                                    | 164.04            |                                                    | 247.65            |
| Hatching eggs                      |                          |                                                    | 695.22            |                                                    | 282.87            |
| Culls                              |                          |                                                    | 2,009.21          |                                                    | 1,342.37          |
| By-products                        |                          |                                                    | 2,173.59          |                                                    | 2,020.87          |
| Miscellaneous                      |                          |                                                    | 749.86            |                                                    | 556.19            |
|                                    | <b>(b)</b>               |                                                    | <b>5,791.92</b>   |                                                    | <b>4,449.95</b>   |
| <b>Total (a+b)</b>                 |                          |                                                    | <b>173,236.92</b> |                                                    | <b>173,738.05</b> |

**Note :**

18. Given voluntarily by the management for better understanding of shareholders.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                                                      |                    | (Rupees in Lacs)                                   |                                                    |
|--------------------------------------------------------------------------------------|--------------------|----------------------------------------------------|----------------------------------------------------|
|                                                                                      |                    | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
| <b>6.2 OTHER INCOME</b>                                                              |                    |                                                    |                                                    |
| Interest income                                                                      |                    | 2,305.69                                           | 2,046.70                                           |
| Dividend income from current investments                                             |                    | 31.15                                              | 43.69                                              |
| Gain on sale of current investments (net)                                            |                    | 27.28                                              | 271.43                                             |
| Profit/(loss) on fixed assets sold / discarded (net)                                 |                    | 281.56                                             | (58.49)                                            |
| Other non-operating income (net)                                                     |                    |                                                    |                                                    |
| Rent                                                                                 |                    | 187.92                                             | 138.56                                             |
| Miscellaneous income                                                                 |                    | 511.68                                             | 547.26                                             |
| <b>Total</b>                                                                         |                    | <b>3,345.28</b>                                    | <b>2,989.15</b>                                    |
| <b>7.1 COST OF RAW MATERIALS AND PACKING MATERIALS CONSUMED</b>                      |                    |                                                    |                                                    |
| <b>a. Cost of raw materials and packing materials consumed</b>                       |                    |                                                    |                                                    |
| Inventories at the beginning of the year                                             |                    | 7,315.32                                           | 6,728.68                                           |
| Add : Purchases (net of returns)                                                     |                    | 120,422.35                                         | 129,794.10                                         |
|                                                                                      |                    | 127,737.67                                         | 136,522.78                                         |
| Less: Inventories at the end of the year                                             |                    | 7,052.42                                           | 7,315.32                                           |
| <b>Total</b>                                                                         |                    | <b>120,685.25</b>                                  | <b>129,207.46</b>                                  |
| <b>b. Break up of raw materials and packing materials consumed under broad heads</b> |                    |                                                    |                                                    |
|                                                                                      |                    | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
|                                                                                      | Unit <sup>19</sup> | Quantity <sup>19</sup> Amount                      | Quantity <sup>19</sup> Amount                      |
| Feed and feed ingredients                                                            | M.T.               | 217,003    44,379.66                               | 251,441    52,540.40                               |
| Breeder S.P.F. eggs                                                                  | Nos.               | 7,000    254.88                                    | 7,500    223.65                                    |
| Oilseeds                                                                             | M.T.               | 159,724    58,968.32                               | 161,280    58,972.86                               |
| AHP ingredients                                                                      |                    | Numerous    5,114.09                               | Numerous    4,730.60                               |
| Other raw materials                                                                  |                    | Numerous    9,450.86                               | Numerous    10,114.70                              |
| Packing materials                                                                    |                    | Numerous    2,517.44                               | Numerous    2,625.25                               |
| <b>Total</b>                                                                         |                    | <b>120,685.25</b>                                  | <b>129,207.46</b>                                  |

**Note :**

19. Given voluntarily by the management for better understanding of shareholders.



Venky's (India) Limited

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                        |                   | (Rupees in Lacs)                                   |                 |                                                    |                 |
|----------------------------------------|-------------------|----------------------------------------------------|-----------------|----------------------------------------------------|-----------------|
|                                        |                   | For the year ended<br>31 <sup>st</sup> March, 2015 |                 | For the year ended<br>31 <sup>st</sup> March, 2014 |                 |
|                                        | Unit <sup>1</sup> | Quantity                                           | Amount          | Quantity                                           | Amount          |
| <b>7.2 PURCHASES OF STOCK-IN-TRADE</b> |                   |                                                    |                 |                                                    |                 |
| Day old commercial chicks              | Nos.              | 12,266,859                                         | 2,152.56        | 10,834,742                                         | 1,888.54        |
| Processed chicken                      | Kgs.              | 159,913                                            | 356.23          | 101,091                                            | 196.85          |
| Animal health products                 |                   |                                                    |                 |                                                    |                 |
| Powder                                 | M.T.              | 3,645                                              | 3,993.63        | 2,991                                              | 2,955.10        |
| Liquid                                 | K.L.              | 24                                                 | 78.90           | 35                                                 | 137.64          |
| Others                                 |                   | Numerous                                           | 326.04          | Numerous                                           | 631.76          |
| <b>Total</b>                           |                   |                                                    | <b>6,907.36</b> |                                                    | <b>5,809.89</b> |

|                                                                                                                          |  | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
|--------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------|----------------------------------------------------|
| <b>7.3 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND POULTRY FOR LIVESTOCK BREEDING</b> |  |                                                    |                                                    |
| <b>a. Changes in inventories</b>                                                                                         |  |                                                    |                                                    |
| <b>Inventories at the beginning of the year</b>                                                                          |  |                                                    |                                                    |
| Poultry for livestock breeding                                                                                           |  | 5,546.36                                           | 4,105.20                                           |
| Finished goods                                                                                                           |  | 1,419.73                                           | 1,474.61                                           |
| Work in progress                                                                                                         |  | 4,643.27                                           | 4,767.77                                           |
| Stock in trade                                                                                                           |  | 280.76                                             | 138.78                                             |
|                                                                                                                          |  | <b>11,890.12</b>                                   | <b>10,486.36</b>                                   |
| <b>Less: Inventories at the end of the year</b>                                                                          |  |                                                    |                                                    |
| Poultry for livestock breeding                                                                                           |  | 6,058.96                                           | 5,546.36                                           |
| Finished goods                                                                                                           |  | 2,023.51                                           | 1,419.73                                           |
| Work in progress                                                                                                         |  | 4,789.21                                           | 4,643.27                                           |
| Stock in trade                                                                                                           |  | 365.62                                             | 280.76                                             |
|                                                                                                                          |  | <b>13,237.30</b>                                   | <b>11,890.12</b>                                   |
| <b>Total</b>                                                                                                             |  | <b>(1,347.18)</b>                                  | <b>(1,403.76)</b>                                  |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

**b. Break-up of inventory under broad heads**

|                                       | 2014-2015         |                   | 2013-2014         |                   |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                       | Closing Inventory | Opening Inventory | Closing Inventory | Opening Inventory |
| <b>Poultry for livestock breeding</b> |                   |                   |                   |                   |
| Broiler and layer breeder birds       | 5,626.41          | 5,112.91          | 5,112.91          | 3,799.64          |
| SPF breeder birds                     | 432.55            | 433.45            | 433.45            | 305.56            |
| <b>(a)</b>                            | <u>6,058.96</u>   | <u>5,546.36</u>   | <u>5,546.36</u>   | <u>4,105.20</u>   |
| <b>Finished goods</b>                 |                   |                   |                   |                   |
| Processed chicken                     | 498.99            | 375.28            | 375.28            | 318.16            |
| Refined oil                           | 268.81            | 130.75            | 130.75            | 153.51            |
| Animal health products                |                   |                   |                   |                   |
| Powder                                | 581.99            | 489.38            | 489.38            | 545.09            |
| Liquid                                | 191.85            | 200.48            | 200.48            | 272.81            |
| Poultry feed                          | 151.36            | 139.77            | 139.77            | 115.15            |
| De-oiled cake for poultry feed        | 217.37            | 28.24             | 28.24             | 8.22              |
| S.P.F. eggs                           | 35.54             | 27.96             | 27.96             | 29.33             |
| Miscellaneous                         | 77.60             | 27.87             | 27.87             | 32.34             |
| <b>(b)</b>                            | <u>2,023.51</u>   | <u>1,419.73</u>   | <u>1,419.73</u>   | <u>1,474.61</u>   |
| <b>Work in progress</b>               |                   |                   |                   |                   |
| Hatching eggs                         | 1,892.42          | 1,788.19          | 1,788.19          | 1,191.69          |
| Crude oil                             | 338.98            | 372.40            | 372.40            | 333.95            |
| Processed chicken                     | 43.16             | 44.22             | 44.22             | 37.35             |
| Commercial broiler in growing         | 2,299.48          | 2,302.76          | 2,302.76          | 3,076.33          |
| Commercial layer in growing           | 210.96            | 135.70            | 135.70            | 128.45            |
| Packaging Material                    | 4.21              | —                 | —                 | —                 |
| <b>(c)</b>                            | <u>4,789.21</u>   | <u>4,643.27</u>   | <u>4,643.27</u>   | <u>4,767.77</u>   |
| <b>Stock in trade</b>                 |                   |                   |                   |                   |
| Animal health products                |                   |                   |                   |                   |
| Powder                                | 356.09            | 262.86            | 262.86            | 128.40            |
| Liquid                                | 0.86              | 17.90             | 17.90             | 10.38             |
| Poultry Equipments                    | 8.67              | —                 | —                 | —                 |
| <b>(d)</b>                            | <u>365.62</u>     | <u>280.76</u>     | <u>280.76</u>     | <u>138.78</u>     |
| <b>Total (a+b+c+d)</b>                | <u>13,237.30</u>  | <u>11,890.12</u>  | <u>11,890.12</u>  | <u>10,486.36</u>  |



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                                                              | (Rupees in Lacs)                                   |                                                    |
|------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
|                                                                              | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
| <b>7.4 EMPLOYEE BENEFITS EXPENSE</b>                                         |                                                    |                                                    |
| Salaries and wages (Including gratuity, bonus and compensated absences)      | 10,633.57                                          | 8,401.03                                           |
| Contribution to provident and other funds                                    | 688.86                                             | 586.43                                             |
| Staff welfare expenses                                                       | 632.68                                             | 530.98                                             |
| <b>Total</b>                                                                 | <b>11,955.11</b>                                   | <b>9,518.44</b>                                    |
| <b>7.5 FINANCE COSTS</b>                                                     |                                                    |                                                    |
| Interest expense                                                             | 7,239.75                                           | 4,510.80                                           |
| Other borrowing costs                                                        | 313.21                                             | 88.93                                              |
|                                                                              | 7,552.96                                           | 4,599.73                                           |
| Less: Capitalised during the year                                            | 133.66                                             | 339.40                                             |
| <b>Total</b>                                                                 | <b>7,419.30</b>                                    | <b>4,260.33</b>                                    |
| <b>7.6 MANUFACTURING, FARM AND OTHER EXPENSES</b>                            |                                                    |                                                    |
| Chicks / grownup birds purchased                                             | 2,352.32                                           | 2,731.11                                           |
| Consumption of stores, spare and other supplies                              | 1,441.65                                           | 1,471.77                                           |
| Bird rearing and custom hatching charges                                     | 3,514.38                                           | 3,269.55                                           |
| Power and fuel                                                               | 5,485.30                                           | 5,310.57                                           |
| Rent                                                                         | 757.63                                             | 634.67                                             |
| Repairs to:                                                                  |                                                    |                                                    |
| Building                                                                     | 400.80                                             | 459.73                                             |
| Machinery                                                                    | 867.86                                             | 844.24                                             |
| Others                                                                       | 308.78                                             | 300.26                                             |
|                                                                              | 1,577.44                                           | 1,604.23                                           |
| Insurance                                                                    | 114.85                                             | 109.07                                             |
| Rates and taxes                                                              | 408.59                                             | 401.94                                             |
| Carriage outward (net)                                                       | 2,311.05                                           | 2,077.28                                           |
| Travelling and conveyance                                                    | 1,774.99                                           | 1,643.35                                           |
| Advertisement and publicity                                                  | 437.86                                             | 673.03                                             |
| Loss/(Profit) on foreign currency translation & transaction (net)            | 66.17                                              | 74.01                                              |
| Bad debts & advances written off and provision for doubtful debts & advances | 281.35                                             | 56.44                                              |
| CSR expenses <sup>20</sup>                                                   | 70.00                                              | —                                                  |
| Miscellaneous expenses                                                       | 4,319.14                                           | 3,734.70                                           |
| <b>Total</b>                                                                 | <b>24,912.72</b>                                   | <b>23,791.72</b>                                   |
| <b>Notes :</b>                                                               |                                                    |                                                    |
| 20. Details of CSR expenses:                                                 |                                                    |                                                    |
| (a) Gross amount required to be spend                                        | 66.58                                              | —                                                  |
| (b) Amount spent during the year :                                           |                                                    |                                                    |
| For promoting education and medical facilities                               | 70.00                                              | —                                                  |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|              |                                                                                  | (Rupees in Lacs)                                   |                                                    |
|--------------|----------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
|              |                                                                                  | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
| <b>7.7</b>   | <b>OTHER INFORMATION AND DISCLOSURES FORMING PART OF THE FINANCIAL STATEMENT</b> |                                                    |                                                    |
| <b>7.7.1</b> | <b>Miscellaneous expenses includes auditor's remuneration as follows:</b>        |                                                    |                                                    |
|              | <b>(Stated net of service tax)</b>                                               |                                                    |                                                    |
|              | Audit                                                                            | 42.26                                              | 40.25                                              |
|              | Audit under the Income-tax Act, 1961                                             | 19.80                                              | 18.00                                              |
|              | Taxation matters                                                                 | 6.00                                               | 9.75                                               |
|              | Other services                                                                   | 20.85                                              | 31.09                                              |
|              | Reimbursement of expenses                                                        | 4.44                                               | 4.96                                               |
|              | <b>Total</b>                                                                     | <b>93.35</b>                                       | <b>104.05</b>                                      |
| <b>7.7.2</b> | <b>PRIOR PERIOD ITEMS (NET)</b>                                                  |                                                    |                                                    |
|              | Employee benefits expense                                                        | 0.39                                               | 0.80                                               |
|              | Power and fuel                                                                   | 4.68                                               | 1.59                                               |
|              | Repairs                                                                          | 8.58                                               | 6.25                                               |
|              | Rent                                                                             | 0.03                                               | 0.01                                               |
|              | Rates and taxes                                                                  | 11.70                                              | 0.25                                               |
|              | Carriage outward (net)                                                           | 0.46                                               | 1.14                                               |
|              | Travelling & conveyance                                                          | 3.06                                               | 0.54                                               |
|              | Advertisement and publicity                                                      | 8.86                                               | 3.53                                               |
|              | Miscellaneous expenses (net)                                                     | 24.47                                              | 14.82                                              |
|              | <b>Total</b>                                                                     | <b>62.23</b>                                       | <b>28.93</b>                                       |
| <b>7.7.3</b> | <b>CIF VALUE OF IMPORTS</b>                                                      |                                                    |                                                    |
|              | Raw materials / trading goods                                                    | 4,995.08                                           | 3,673.64                                           |
|              | Capital goods                                                                    | 9.98                                               | 469.82                                             |
|              | Stores & spares                                                                  | 43.11                                              | 108.92                                             |
|              | Packing materials                                                                | 30.45                                              | 32.31                                              |
|              | <b>Total</b>                                                                     | <b>5,078.62</b>                                    | <b>4,284.69</b>                                    |



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|                                              | (Rupees in Lacs)                                   |                                                    |
|----------------------------------------------|----------------------------------------------------|----------------------------------------------------|
|                                              | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
| <b>7.7.4 EXPENDITURE IN FOREIGN CURRENCY</b> |                                                    |                                                    |
| Travelling expenses (net of recovery)        | 441.13                                             | 340.25                                             |
| Finance cost                                 | 655.90                                             | 692.25                                             |
| Miscellaneous expenses                       | 256.72                                             | 235.88                                             |
| <b>Total</b>                                 | <b>1,353.75</b>                                    | <b>1,268.38</b>                                    |

### 7.7.5 VALUE OF IMPORTED AND INDIGENOUS GOODS CONSUMED

| Particulars                       | 2014-2015         |                        | 2013-2014         |                        |
|-----------------------------------|-------------------|------------------------|-------------------|------------------------|
|                                   | (Rupees in Lacs)  | % of total consumption | (Rupees in Lacs)  | % of total consumption |
| Raw materials & packing materials |                   |                        |                   |                        |
| Imported                          | 2,014.11          | 1.67%                  | 1,806.91          | 1.40%                  |
| Indigenous                        | 118,671.14        | 98.33%                 | 127,400.55        | 98.60%                 |
| <b>Total</b>                      | <b>120,685.25</b> | <b>100.00%</b>         | <b>129,207.46</b> | <b>100.00%</b>         |
| Stores, spares & other supplies   |                   |                        |                   |                        |
| Imported                          | 53.75             | 3.73%                  | 90.26             | 6.13%                  |
| Indigenous                        | 1,387.90          | 96.27%                 | 1,381.51          | 93.87%                 |
| <b>Total</b>                      | <b>1,441.65</b>   | <b>100.00%</b>         | <b>1,471.77</b>   | <b>100.00%</b>         |

|                                           | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
|-------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <b>7.7.6 EARNINGS IN FOREIGN EXCHANGE</b> |                                                    |                                                    |
| F.O.B. value of exports (SPF Eggs)        | 213.25                                             | 214.43                                             |

### 7.7.7 DERIVATIVE FINANCIAL INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

In line with the Company's risk management policy, the various financial risks mainly relating to changes in the exchange rates and interest rates are hedged by the Company using a cross currency swaps or options or combination of both.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

- a. Particulars of the derivative contracts entered into for hedging purpose outstanding at the balance sheet date :

|                                   | 2014-2015 |                      | 2013-2014 |                      |
|-----------------------------------|-----------|----------------------|-----------|----------------------|
|                                   | Exposure  | Mark to market value | Exposure  | Mark to market value |
| For Hedging foreign currency risk |           |                      |           |                      |
| ECB-I-Currency Swaps              | 9,399.43  | 10,616.74            | 8,668.32  | 11,097.25            |
| ECB-II-Currency Swaps             | 6,747.53  | 6,944.98             | 6,468.69  | 7,384.28             |
| Short term borrowing              | 1,988.21  | —                    | —         | —                    |

- b. Particulars of unhedged foreign currency exposure outstanding at the balance sheet date:

|                             | 2014-2015                  |                  | 2013-2014                  |                  |
|-----------------------------|----------------------------|------------------|----------------------------|------------------|
|                             | (Foreign Currency in Lacs) | (Rupees in Lacs) | (Foreign Currency in Lacs) | (Rupees in Lacs) |
| (i) Trade payables          |                            |                  |                            |                  |
| In US\$                     | 7.90                       | 498.08           | 5.43                       | 328.46           |
| In Euro                     | 0.93                       | 63.94            | 0.86                       | 71.96            |
| In GBP                      | 0.07                       | 6.53             | —                          | —                |
| (ii) Advance from customers |                            |                  |                            |                  |
| In AED\$                    | 0.12                       | 1.95             | 0.35                       | 5.90             |
| In US\$                     | 0.16                       | 10.17            | 0.01                       | 0.47             |

### 8 EMPLOYEE BENEFITS

- (a) Employee benefits expense include contribution towards defined contribution plans as follow :

|                        | For the year ended<br>31 <sup>st</sup> March, 2015 | For the year ended<br>31 <sup>st</sup> March, 2014 |
|------------------------|----------------------------------------------------|----------------------------------------------------|
| Provident fund scheme  | 585.69                                             | 496.32                                             |
| Superannuation scheme  | 49.69                                              | 44.24                                              |
| State insurance scheme | 38.52                                              | 32.75                                              |
| <b>Total</b>           | <b>673.90</b>                                      | <b>573.31</b>                                      |

- (b) Plan description : Gratuity and compensated absences plan

- (i) Gratuity (Funded)

The Company makes annual contributions to the gratuity fund managed by ICICI Prudential Life Insurance Company Ltd., a funded defined benefit plan for qualifying employees. The scheme provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months. Vesting occurs only upon completion of 5 years of service, except in case of death or permanent disability. The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at balance sheet date by an independent actuary appointed by the Company.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

### (ii) Compensated absences (Non Funded)

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at balance sheet date by an independent actuary appointed by the Company.

### (c) Defined benefit plans / compensated absences - as per actuarial valuation carried out by an independent actuary as at 31<sup>st</sup> March, 2015

|            | Particulars                                             | Gratuity<br>(Funded) |                 | Leave Encashment<br>(Unfunded) |               |
|------------|---------------------------------------------------------|----------------------|-----------------|--------------------------------|---------------|
|            |                                                         | 2014-15              | 2013-14         | 2014-15                        | 2013-14       |
| <b>I</b>   | <b>Change in defined benefit obligation</b>             |                      |                 |                                |               |
|            | Liability at the beginning of the year                  | 2,092.34             | 1,845.59        | 652.77                         | 557.01        |
|            | Interest cost                                           | 185.89               | 150.00          | 53.65                          | 58.21         |
|            | Current service cost                                    | 229.33               | 166.34          | 116.90                         | 93.79         |
|            | Benefits paid                                           | (143.64)             | (76.72)         | (139.27)                       | (112.65)      |
|            | Acquisition adjustments                                 | —                    | 185.26          | —                              | 50.17         |
|            | Actuarial loss/(gain) on obligation                     | 364.54               | (178.13)        | 125.95                         | 6.24          |
|            | <b>Liability at the end of the year</b>                 | <b>2,728.46</b>      | <b>2,092.34</b> | <b>810.00</b>                  | <b>652.77</b> |
| <b>II</b>  | <b>Change in plan assets</b>                            |                      |                 |                                |               |
|            | Fair value of plan assets at the beginning of the year  | 2,078.02             | 1,599.86        | —                              | —             |
|            | Expected return on plan assets                          | 186.48               | 152.05          | —                              | —             |
|            | Contributions by employers                              | —                    | 185.00          | —                              | —             |
|            | Benefits paid                                           | (11.99)              | (5.76)          | —                              | —             |
|            | Acquisition adjustments                                 | —                    | 179.15          | —                              | —             |
|            | Actuarial gain/(loss) on plan assets                    | 72.43                | (32.28)         | —                              | —             |
|            | <b>Fair value of plan assets at the end of the year</b> | <b>2,324.94</b>      | <b>2,078.02</b> | <b>—</b>                       | <b>—</b>      |
|            | <b>Total actuarial loss/(gain) to be recognized</b>     | <b>292.11</b>        | <b>(145.85)</b> | <b>125.95</b>                  | <b>6.24</b>   |
| <b>III</b> | <b>Actual return on plan assets</b>                     |                      |                 |                                |               |
|            | Expected return on plan assets                          | 186.48               | 152.05          | —                              | —             |
|            | Actuarial gain/(loss) on plan assets                    | 72.43                | (32.28)         | —                              | —             |
|            | <b>Actual return on plan assets</b>                     | <b>258.91</b>        | <b>119.77</b>   | <b>—</b>                       | <b>—</b>      |
| <b>IV</b>  | <b>Amount recognized in the balance sheet</b>           |                      |                 |                                |               |
|            | Liability at the end of the year                        | 2,728.46             | 2,092.34        | 810.00                         | 652.77        |
|            | Fair value of plan assets at the end of the year        | 2,324.94             | 2,078.02        | —                              | —             |
|            | <b>Amount recognized in the balance sheet</b>           | <b>403.52</b>        | <b>14.32</b>    | <b>810.00</b>                  | <b>652.77</b> |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

|            | Particulars                                                                 | Gratuity<br>(Funded) |              | Leave Encashment<br>(Unfunded) |               |
|------------|-----------------------------------------------------------------------------|----------------------|--------------|--------------------------------|---------------|
|            |                                                                             | 2014-15              | 2013-14      | 2014-15                        | 2013-14       |
| <b>V</b>   | <b>Expenses recognized in the statement of profit and loss for the year</b> |                      |              |                                |               |
|            | Current service cost                                                        | 229.33               | 166.34       | 116.90                         | 93.79         |
|            | Interest cost                                                               | 185.89               | 150.00       | 53.65                          | 58.21         |
|            | Expected return on plan assets                                              | (186.48)             | (152.05)     | —                              | —             |
|            | Acquisition adjustments                                                     | —                    | 6.11         | —                              | —             |
|            | Net actuarial loss/(gain) to be recognized                                  | 292.11               | (145.85)     | 125.95                         | 6.24          |
|            | <b>Expenses recognized in statement of P &amp; L</b>                        | <b>520.85</b>        | <b>24.55</b> | <b>296.50</b>                  | <b>158.24</b> |
| <b>VI</b>  | <b>Amount recognized in the balance sheet</b>                               |                      |              |                                |               |
|            | Opening net liability                                                       | 14.32                | 245.73       | 652.77                         | 557.01        |
|            | Expenses as above                                                           | 520.85               | 24.55        | 296.50                         | 158.24        |
|            | Acquisition adjustments                                                     | —                    | —            | —                              | —             |
|            | Contributions by employers/Benefits paid                                    | (131.65)             | (255.96)     | (139.27)                       | (112.65)      |
|            | <b>Amount recognized in the balance sheet</b>                               | <b>403.52</b>        | <b>14.32</b> | <b>810.00</b>                  | <b>602.60</b> |
| <b>VII</b> | <b>Actuarial assumptions for the year</b>                                   |                      |              |                                |               |
|            | Discount factor                                                             | 7.80%                | 9.20%        | 7.80%                          | 9.20%         |
|            | Rate of return on plan assets                                               | 9.00%                | 9.00%        | NA                             | NA            |
|            | Interest rate                                                               | 7.80%                | 9.20%        | NA                             | NA            |
|            | Attrition rate                                                              |                      |              |                                |               |
|            | i) Staff below age 35                                                       | 5.00%                | 5.00%        | 5.00%                          | 5.00%         |
|            | ii) Others                                                                  | 1.00%                | 1.00%        | 1.00%                          | 1.00%         |
|            | Rate of escalation in salary                                                | 8.00%                | 8.00%        | 8.00%                          | 8.00%         |

(d) The estimates of future salary increases, considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors.

(e) The major categories of plan assets as a percentage of total plan assets.

| Particulars           | % of total investments as at |                              |
|-----------------------|------------------------------|------------------------------|
|                       | 31 <sup>st</sup> March, 2015 | 31 <sup>st</sup> March, 2014 |
| Debentures / Bonds    | 40.93                        | 65.31                        |
| Government securities | 51.78                        | 16.70                        |
| Deposit with banks    | —                            | 12.00                        |
| Others                | 7.29                         | 5.99                         |
| <b>Total</b>          | <b>100.00</b>                | <b>100.00</b>                |



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

### (f) Experience History

| Particulars                       | 31 <sup>st</sup> March,<br>2015 | 31 <sup>st</sup> March,<br>2014 | 31 <sup>st</sup> March,<br>2013 | 31 <sup>st</sup> March,<br>2012 | 31 <sup>st</sup> March,<br>2011 |
|-----------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Present value of obligation       | 2,728.46                        | 2,092.34                        | 1,845.59                        | 1,462.32                        | 1,242.53                        |
| Fair value of plan assets         | 2,324.94                        | 2,078.02                        | 1,599.86                        | 1,322.65                        | 1,089.73                        |
| Surplus / (Deficit) in the plan   | (403.52)                        | (14.32)                         | (245.73)                        | (139.67)                        | (152.80)                        |
| Experience adjustment             |                                 |                                 |                                 |                                 |                                 |
| On plan liabilities - (gain)/loss | 7.01                            | 22.59                           | 60.54                           | 57.64                           | 17.32                           |
| On plan assets - (gain)/loss      | (72.42)                         | 32.30                           | (17.64)                         | (4.23)                          | 23.86                           |

## 9 SEGMENT REPORTING

### Business segment

The primary segment reporting format is determined to be business segment as the Company's risk and rate of return are affected predominantly by differences in the products produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different markets.

The "Poultry and Poultry Products" segment produces and sells chicks, grownup commercial broiler and layer, processed chicks, S.P.F. eggs, poultry feed and other miscellaneous poultry products. The "Animal Health Products" segments produces and sells medicines and other health products for birds. The "Oilseed segment" produces and sells edible refined soya oil and soya de-oiled cake.

Transfer price between segments are measured on the basis of price charged for inter segment transfers. Segment revenue includes transfer between inter segments. Those transfers are eliminated in total revenue. Corporate expenses are allocated to other segments at cost.

### Geographical segment

The Company's secondary segments are the geographic distribution of activities. Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

### 9 SEGMENT REPORTING

#### A. Primary Segment Information: Business segment

| Particulars                            | Poultry & Poultry Products |                    | Animal Health Products |                  | Oilseed          |                  | Elimination     |                 | Total              |                    |
|----------------------------------------|----------------------------|--------------------|------------------------|------------------|------------------|------------------|-----------------|-----------------|--------------------|--------------------|
|                                        | 2014-15                    | 2013-14            | 2014-15                | 2013-14          | 2014-15          | 2013-14          | 2014-15         | 2013-14         | 2014-15            | 2013-14            |
| <b>REVENUE</b>                         |                            |                    |                        |                  |                  |                  |                 |                 |                    |                    |
| Revenue from Operations                | 99,262.23                  | 1,00,171.87        | 12,955.43              | 11,282.53        | 60,862.92        | 62,157.67        | —               | —               | 1,73,080.58        | 1,73,612.07        |
| Inter- segment Sales                   | —                          | —                  | 1,204.94               | 1,041.82         | 2,500.87         | 3,097.32         | 3,705.81        | 4,139.14        | —                  | —                  |
| <b>Total Revenue</b>                   | <b>99,262.23</b>           | <b>1,00,171.87</b> | <b>14,160.37</b>       | <b>12,324.35</b> | <b>63,363.79</b> | <b>65,254.99</b> | <b>3,705.81</b> | <b>4,139.14</b> | <b>1,73,080.58</b> | <b>1,73,612.07</b> |
| <b>RESULT</b>                          |                            |                    |                        |                  |                  |                  |                 |                 |                    |                    |
| Segment Result                         | 7,542.35                   | 2,822.11           | 2,131.25               | 1,679.14         | 1,429.61         | 2,967.99         | —               | —               | 11,103.21          | 7,469.24           |
| Unallocated Corporate Expenses         |                            |                    |                        |                  |                  |                  |                 |                 | 912.39             | (1,218.70)         |
| Operating Profit                       |                            |                    |                        |                  |                  |                  |                 |                 | 10,190.82          | 8,687.94           |
| Interest Expense                       |                            |                    |                        |                  |                  |                  |                 |                 | 7,419.30           | 4,171.40           |
| Income Taxes                           |                            |                    |                        |                  |                  |                  |                 |                 | 901.69             | 1,112.12           |
| <b>Profit from Ordinary Activities</b> |                            |                    |                        |                  |                  |                  |                 |                 | <b>1,869.83</b>    | <b>3,404.42</b>    |
| Extra ordinary items                   | —                          | —                  | —                      | —                | —                | —                | —               | —               | —                  | —                  |
| <b>Net Profit</b>                      |                            |                    |                        |                  |                  |                  |                 |                 | <b>2,771.52</b>    | <b>3,404.42</b>    |
| <b>OTHER INFORMATION</b>               |                            |                    |                        |                  |                  |                  |                 |                 |                    |                    |
| Segment Assets                         | 64,530.86                  | 61,647.60          | 6,750.08               | 5,969.96         | 24,368.64        | 18,203.12        | —               | —               | 95,649.58          | 85,820.68          |
| Unallocated corporate assets           |                            |                    |                        |                  |                  |                  |                 |                 | 46,389.64          | 36,619.16          |
| <b>Total Assets</b>                    |                            |                    |                        |                  |                  |                  |                 |                 | <b>1,42,039.22</b> | <b>1,22,439.84</b> |
| Segment Liabilities                    | 17,456.77                  | 15,302.34          | 2,229.22               | 2,158.81         | 4,372.38         | 1,692.89         | —               | —               | 24,058.37          | 19,154.04          |
| Unallocated Corporate Liabilities      |                            |                    |                        |                  |                  |                  |                 |                 | 80,838.66          | 66,506.13          |
| <b>Total Liabilities</b>               |                            |                    |                        |                  |                  |                  |                 |                 | <b>1,04,897.03</b> | <b>85,660.17</b>   |



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Currency : Indian Rupee)

| Particulars                                           | (Rupees in Lacs)           |           |                        |         |         |          |             |         |                  |                  |
|-------------------------------------------------------|----------------------------|-----------|------------------------|---------|---------|----------|-------------|---------|------------------|------------------|
|                                                       | Poultry & Poultry Products |           | Animal Health Products |         | Oilseed |          | Elimination |         | Total            |                  |
|                                                       | 2014-15                    | 2013-14   | 2014-15                | 2013-14 | 2014-15 | 2013-14  | 2014-15     | 2013-14 | 2014-15          | 2013-14          |
| Capital Expenditure                                   | 3,009.58                   | 13,905.81 | 62.86                  | 145.04  | 2,237   | 1,943.75 | —           | —       | 5,309.20         | 15,994.60        |
| Unallocated Corporate Capital Expenditure             |                            |           |                        |         |         |          |             |         | 8,099.76         | 2,287.91         |
| <b>Total Capital Expenditures</b>                     |                            |           |                        |         |         |          |             |         | <b>13,408.96</b> | <b>18,282.51</b> |
| Depreciation/amortisation                             | 2,802.03                   | 1,649.31  | 118.05                 | 72.68   | 114.87  | 109.46   | —           | —       | 3,034.95         | 1,831.45         |
| Unallocable Corporate Depreciation/ amortisation      |                            |           |                        |         |         |          |             |         | 179.64           | 92.73            |
| Non-Cash Expenses other than depreciation             | 187.71                     | —         | 72.64                  | —       | 1.57    | —        | —           | —       | 261.92           | —                |
| Unallocable Non-cash Expenses other than depreciation | —                          | —         | —                      | —       | —       | —        | —           | —       | —                | —                |

### Additional information:

The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Rupees in Lacs)

**10 RELATED PARTIES DISCLOSURES**

**I. NAMES OF RELATED PARTIES AND DESCRIPTION OF RELATIONSHIP**

**a. Key management personnel and their relatives**

- 1 Mrs. Anuradha J. Desai
- 2 Mr. B. Venkatesh Rao
- 3 Mr. B. Balaji Rao
- 4 Mr. Jitendra M. Desai

**b. Where Control exists**

**(i) Party that exercises control**

- 1 Venkateshwara Hatcheries Private Limited - Holding Company

**(ii) Fellow Subsidiaries**

- 1 Eastern Hatcheries Private Limited
- 2 Bala Industries and Entertainment Private Limited

**c. Enterprises over which key management personnel and their relatives have Significant influence and enterprises having a key management personnel in common where transactions have taken place during the year**

- 1 Venco Research and Breeding Farm Private Limited
- 2 Uttara Foods and Feeds Private Limited
- 3 B. V. Bio-Corp Private Limited
- 4 Venkateshwara Research and Breeding Farm Private Limited
- 5 Uttara Impex Private Limited
- 6 All India Poultry Development and Services Private Limited
- 7 Venkateshwara Foods & Feeds (Firm)



Venky's (India) Limited

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

### II. a. DETAILS REGARDING PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL

| Sr. No. | Transactions                              | 2014-15      | 2013-14      |
|---------|-------------------------------------------|--------------|--------------|
| 1       | Remuneration                              |              |              |
|         | Salary                                    | 20.00        | 20.00        |
|         | Contribution to provident and other funds | 3.72         | 3.72         |
|         | Perquisites                               | 4.19         | 4.19         |
|         |                                           | 27.91        | 27.91        |
| 2       | Commission                                | 6.75         | 7.71         |
| 3       | Sitting fees                              | 2.45         | 2.40         |
| 4       | Rent paid (expense)                       | 3.60         | 3.60         |
|         | <b>Total</b>                              | <b>40.71</b> | <b>41.62</b> |

### b. BREAKUP OF PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL

| Sr. No. | Transactions               | 2014-15      | 2013-14      |
|---------|----------------------------|--------------|--------------|
|         | <b>Remuneration</b>        |              |              |
| 1       | Mr. B. Balaji Rao          | 27.91        | 27.91        |
|         | <b>Total</b>               | <b>27.91</b> | <b>27.91</b> |
|         | <b>Commission</b>          |              |              |
| 1       | Mrs. Anuradha J. Desai     | 1.25         | 1.57         |
| 2       | Mr. B. Venkatesh Rao       | 1.25         | 1.57         |
| 3       | Mr. B. Balaji Rao          | 3.00         | 3.00         |
| 4       | Mr. Jitendra M. Desai      | 1.25         | 1.57         |
|         | <b>Total</b>               | <b>6.75</b>  | <b>7.71</b>  |
|         | <b>Sitting fees</b>        |              |              |
| 1       | Mrs. Anuradha J. Desai     | 1.00         | 0.95         |
| 2       | Mr. B. Venkatesh Rao       | 0.25         | 0.30         |
| 3       | Mr. Jitendra M. Desai      | 1.20         | 1.15         |
|         | <b>Total</b>               | <b>2.45</b>  | <b>2.40</b>  |
|         | <b>Rent paid (expense)</b> |              |              |
| 1       | Mr. B. Venkatesh Rao       | 3.60         | 3.60         |
|         | <b>Total</b>               | <b>3.60</b>  | <b>3.60</b>  |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### III. a. TRANSACTIONS WITH RELATED PARTIES

(Rupees in Lacs)

| Sr. No. | Nature of significant transaction                                                                | Party that exercises control |           | Fellow subsidiaries |          | Enterprises over which key management personnel and their relatives have significant influence and enterprises having a key management person in common |           | Total      |           |
|---------|--------------------------------------------------------------------------------------------------|------------------------------|-----------|---------------------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------|-----------|
|         |                                                                                                  | 2014-15                      | 2013-14   | 2014-15             | 2013-14  | 2014-15                                                                                                                                                 | 2013-14   | 2014-15    | 2013-14   |
| 1       | Purchase of materials / finished goods                                                           | 3,016.67                     | 4,622.88  | 5.47                | 2.06     | 8,937.07                                                                                                                                                | 8,267.09  | 11,959.21  | 12,892.03 |
| 2       | Sale of materials / finished goods                                                               | 42,949.89                    | 45,547.02 | 2,452.25            | 2,611.97 | 11,645.97                                                                                                                                               | 11,356.01 | 57,048.11  | 59,515.00 |
| 3       | Purchase of fixed assets                                                                         | 13.39                        | 3,341.62  | 401.71              | 407.82   | 27.15                                                                                                                                                   | 26.30     | 442.25     | 3,775.74  |
| 4       | Sale of fixed assets                                                                             | 79.77                        | 82.10     | 5.22                | -        | 0.85                                                                                                                                                    | 21.47     | 85.84      | 103.57    |
| 5       | Net Assets acquired by way of (Refer Note No. 5.8)                                               | -                            | 2,583.32  | -                   | -        | -                                                                                                                                                       | -         | -          | 2,583.32  |
| 6       | Expenses recharged to other companies (income)                                                   | 390.96                       | 458.11    | 2.42                | 0.33     | 46.37                                                                                                                                                   | 17.96     | 439.76     | 476.40    |
| 7       | Services charges / expenses recharged by other companies (expense)                               | 350.48                       | 452.71    | 47.94               | 0.07     | 18.35                                                                                                                                                   | 47.79     | 416.76     | 500.57    |
| 8       | Custom hatching charges / testing charges / processing charges (income)                          | -                            | 17.72     | -                   | -        | 0.83                                                                                                                                                    | 12.62     | 0.83       | 30.34     |
| 9       | Repairs and maintenance expenses                                                                 | -                            | -         | 24.79               | 76.64    | -                                                                                                                                                       | -         | 24.79      | 76.64     |
| 10      | Consignment sales commission (paid)                                                              | -                            | -         | 8.74                | 9.88     | -                                                                                                                                                       | -         | 8.74       | 9.88      |
| 11      | Rent (income)                                                                                    | 183.65                       | 131.87    | -                   | -        | 4.34                                                                                                                                                    | 7.72      | 187.99     | 139.59    |
| 12      | Rent (expense)                                                                                   | 27.77                        | 73.42     | -                   | -        | -                                                                                                                                                       | -         | 27.77      | 73.42     |
| 13      | Contributions to trade associations                                                              | -                            | -         | -                   | -        | 108.20                                                                                                                                                  | 92.22     | 108.20     | 92.22     |
| 14      | Interest expense on intercorporate loan                                                          | -                            | -         | -                   | -        | 256.32                                                                                                                                                  | -         | 256.32     | -         |
| 15      | Capital Advances given                                                                           | 8,000.00                     | 2,100.00  | -                   | -        | -                                                                                                                                                       | -         | 8,000.00   | 2,100.00  |
| 16      | Inter corporate loan taken                                                                       | -                            | -         | -                   | -        | 5,350.00                                                                                                                                                | -         | 5,350.00   | -         |
| 17      | Inter corporate loan repaid                                                                      | -                            | -         | -                   | -        | 1,937.00                                                                                                                                                | -         | 1,937.00   | -         |
| 18      | Collateral security given                                                                        | 2,800.00                     | 2,695.00  | -                   | -        | -                                                                                                                                                       | -         | 2,800.00   | 2,695.00  |
| 19      | Commission received on Collateral security given                                                 | 102.03                       | 53.65     | -                   | -        | 10.41                                                                                                                                                   | -         | 112.44     | 53.65     |
| 20      | Outstanding receivable/ (payables), net of payable/ payable                                      | 14,333.17                    | 10,144.70 | 836.04              | 667.84   | 788.99                                                                                                                                                  | 887.18    | 15,958.20  | 11,699.72 |
| 21      | Outstanding deposits from Lessee / Franchisees receivable/(payables), net of payable/receivables | 140.68                       | 139.68    | -                   | -        | (20.00)                                                                                                                                                 | (20.00)   | 120.68     | 119.68    |
| 22      | Outstanding collateral security                                                                  | 14,895.00                    | 12,095.00 | -                   | -        | 1,488.00                                                                                                                                                | 1,488.00  | 16,383.00  | 13,583.00 |
| 23      | Outstanding intercorporate loan receivable/ (payable)                                            | -                            | -         | -                   | -        | (3,413.00)                                                                                                                                              | -         | (3,413.00) | -         |
| 24      | Capital advance outstanding                                                                      | 10,100.00                    | 2,100.00  | -                   | -        | -                                                                                                                                                       | -         | 10,100.00  | 2,100.00  |



Venky's (India) Limited

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### b . DISCLOSURE IN RESPECT OF TRANSACTIONS WHICH ARE MORE THAN 10% OF THE TOTAL TRANSACTIONS

(Rupees in Lacs)

| Sr. No. | Transactions                                          | 2014-15          | 2013-14          |
|---------|-------------------------------------------------------|------------------|------------------|
|         | <b>Purchase of materials / finished goods</b>         |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited              | 3,016.66         | 4,622.88         |
| 2       | Venco Research and Breeding Farm Private Limited      | 2,924.96         | 2,425.77         |
| 3       | B V Bio-corp Private Limited                          | 3,755.59         | 3,390.16         |
| 4       | Uttara Foods and Feeds Private Limited                | 1,310.36         | 1,686.17         |
| 5       | Others                                                | 951.64           | 767.04           |
|         | <b>Total</b>                                          | <b>11,959.21</b> | <b>12,892.02</b> |
|         | <b>Sale of materials / finished goods</b>             |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited              | 42,949.89        | 45,547.02        |
| 2       | Others                                                | 14,098.22        | 13,967.98        |
|         | <b>Total</b>                                          | <b>57,048.11</b> | <b>59,515.00</b> |
|         | <b>Purchase of fixed assets</b>                       |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited              | 13.39            | 3,341.62         |
| 2       | Bala Industries and Entertainment Private Limited     | 401.71           | 407.82           |
| 3       | Others                                                | 27.16            | 26.30            |
|         | <b>Total</b>                                          | <b>442.25</b>    | <b>3,775.74</b>  |
|         | <b>Sale of fixed assets</b>                           |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited              | 79.77            | 82.10            |
| 2       | B V Bio-corp Private Limited                          | -                | 17.79            |
| 3       | Others                                                | 6.07             | 3.68             |
|         | <b>Total</b>                                          | <b>85.84</b>     | <b>103.57</b>    |
|         | <b>Net assets acquired on business acquisition</b>    |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited              | -                | 2,583.32         |
|         | <b>Total</b>                                          | <b>-</b>         | <b>2,583.32</b>  |
|         | <b>Capital advances given</b>                         |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited              | 8,000.00         | 2,100.00         |
|         | <b>Total</b>                                          | <b>8,000.00</b>  | <b>2,100.00</b>  |
|         | <b>Expenses recharged to other companies (income)</b> |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited              | 390.96           | 458.11           |
| 2       | Others                                                | 48.79            | 18.29            |
|         | <b>Total</b>                                          | <b>439.76</b>    | <b>476.40</b>    |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

| Sr. No. | Transactions                                                                   | 2014-15       | 2013-14       |
|---------|--------------------------------------------------------------------------------|---------------|---------------|
|         | <b>Expenses recharged by other companies (expense)</b>                         |               |               |
| 1       | Venkateshwara Hatcheries Private Limited                                       | 349.92        | 452.71        |
| 2       | Bala Industries and Entertainment Private Limited                              | 45.70         | 0.07          |
| 3       | Others                                                                         | 19.52         | 47.79         |
|         | <b>Total</b>                                                                   | <b>415.14</b> | <b>500.57</b> |
|         | <b>Custom hatching charges / testing charges / processing charges (income)</b> |               |               |
| 1       | Venkateshwara Hatcheries Private Limited                                       | -             | 17.72         |
| 2       | Venco Research and Breeding Farm Private Limited                               | 0.73          | 12.06         |
| 3       | B V Bio-corp Private Limited                                                   | 0.10          | -             |
| 4       | Others                                                                         | -             | 0.56          |
|         | <b>Total</b>                                                                   | <b>0.83</b>   | <b>30.34</b>  |
|         | <b>Repairs and maintenance expenses</b>                                        |               |               |
| 1       | Bala Industries and Entertainment Private Limited                              | 24.79         | 76.64         |
|         | <b>Total</b>                                                                   | <b>24.79</b>  | <b>76.64</b>  |
|         | <b>Consignment sales commission (paid)</b>                                     |               |               |
| 1       | Eastern Hatcheries Private Limited                                             | 8.74          | 9.88          |
|         | <b>Total</b>                                                                   | <b>8.74</b>   | <b>9.88</b>   |
|         | <b>Rent (income)</b>                                                           |               |               |
| 1       | Venkateshwara Hatcheries Private Limited                                       | 183.65        | 131.87        |
| 2       | Others                                                                         | 4.34          | 7.72          |
|         | <b>Total</b>                                                                   | <b>187.99</b> | <b>139.59</b> |
|         | <b>Rent (expense)</b>                                                          |               |               |
| 1       | Venkateshwara Hatcheries Private Limited                                       | 27.77         | 73.42         |
|         | <b>Total</b>                                                                   | <b>27.77</b>  | <b>73.42</b>  |
|         | <b>Contributions to trade associations</b>                                     |               |               |
| 1       | All India Poultry Development Services Private Limited                         | 108.20        | 92.22         |
|         | <b>Total</b>                                                                   | <b>108.20</b> | <b>92.22</b>  |
|         | <b>Interest expense on intercorporate loan taken</b>                           |               |               |
| 1       | Venco Research and Breeding Farm Private Limited                               | 249.39        | -             |
| 2       | B V Bio-corp Private Limited                                                   | 6.93          | -             |
|         | <b>Total</b>                                                                   | <b>256.32</b> | <b>-</b>      |



Venky's (India) Limited

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

| Sr. No. | Transactions                                                               | 2014-15          | 2013-14          |
|---------|----------------------------------------------------------------------------|------------------|------------------|
|         | <b>Inter corporate loan taken</b>                                          |                  |                  |
| 1       | Venco Research and Breeding Farm Private Limited                           | 5,000.00         | -                |
| 2       | B V Bio-corp Private Limited                                               | 350.00           | -                |
|         | <b>Total</b>                                                               | <b>5,350.00</b>  | <b>-</b>         |
|         | <b>Inter corporate loan repaid</b>                                         |                  |                  |
| 1       | Venco Research and Breeding Farm Private Limited                           | 1,737.00         | -                |
| 2       | B V Bio-corp Private Limited                                               | 200.00           | -                |
|         | <b>Total</b>                                                               | <b>1,937.00</b>  | <b>-</b>         |
|         | <b>Collateral security given</b>                                           |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited                                   | 2,800.00         | 2,695.00         |
| 2       | Uttara Foods and Feeds Private Limited                                     | -                | 1,488.00         |
|         | <b>Total</b>                                                               | <b>2,800.00</b>  | <b>4,183.00</b>  |
|         | <b>Commission received on Collateral security given</b>                    |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited                                   | 102.03           | 53.65            |
| 2       | Uttara Foods and Feeds Private Limited                                     | 10.41            | -                |
|         | <b>Total</b>                                                               | <b>112.44</b>    | <b>53.65</b>     |
|         | <b>Outstanding receivables/ (payables), net of (payables)/ receivables</b> |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited                                   | 14,333.17        | 10,144.70        |
| 2       | Eastern Hatcheries Private Limited                                         | 254.52           | 156.85           |
| 3       | Bala Industries and Entertainment Private Limited                          | 581.51           | 510.99           |
| 4       | Venco Research and Breeding Farm Private Limited                           | (382.21)         | (426.41)         |
| 5       | Venkateshwara Research and Breeding Farm Private Limited                   | (139.53)         | 67.59            |
| 6       | B V Bio-corp Private Limited                                               | (2,117.41)       | (778.07)         |
| 7       | Uttara Foods and Feeds Private Limited                                     | 2,196.73         | 1,170.64         |
| 8       | Venkateshwara Foods and Feeds                                              | 1,309.88         | 890.27           |
| 9       | Uttara Impex Private Limited                                               | (40.90)          | (36.84)          |
| 10      | All India Poultry Development and Services Private Limited                 | (12.18)          | -                |
|         | <b>Total</b>                                                               | <b>15,983.58</b> | <b>11,699.72</b> |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

| Sr. No. | Transactions                                                                                              | 2014-15          | 2013-14          |
|---------|-----------------------------------------------------------------------------------------------------------|------------------|------------------|
|         | <b>Outstanding deposits from lessee/franchisees receivable/ (payables), net of (payables)/receivables</b> |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited                                                                  | 140.68           | 139.68           |
| 2       | Venkateshwara Research and Breeding Farm Private Limited                                                  | (20.00)          | (20.00)          |
|         | <b>Total</b>                                                                                              | <b>120.68</b>    | <b>119.68</b>    |
|         | <b>Outstanding collateral security</b>                                                                    |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited                                                                  | 14,895.00        | 12,095.00        |
| 2       | Uttara Foods and Feeds Private Limited                                                                    | 1,488.00         | 1,488.00         |
|         | <b>Total</b>                                                                                              | <b>16,383.00</b> | <b>13,583.00</b> |
|         | <b>Outstanding intercorporate loan payable</b>                                                            |                  |                  |
| 1       | B V Bio-corp Private Limited                                                                              | 150.00           | -                |
| 2       | Venco Research and Breeding Farm Private Limited                                                          | 3,263.00         | -                |
|         | <b>Total</b>                                                                                              | <b>3,413.00</b>  | <b>-</b>         |
|         | <b>Capital advances outstanding</b>                                                                       |                  |                  |
| 1       | Venkateshwara Hatcheries Private Limited                                                                  | 10,100.00        | 2,100.00         |
|         | <b>Total</b>                                                                                              | <b>10,100.00</b> | <b>2,100.00</b>  |



Venky's (India) Limited

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lacs)

|                                                                                                                                                               | 31 <sup>st</sup> March, 2015 | 31 <sup>st</sup> March, 2014 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>11 LEASES</b>                                                                                                                                              |                              |                              |
| <b>Operating Lease : (Company as a lessee)</b>                                                                                                                |                              |                              |
| The Company has entered into commercial leases on certain office buildings, breeder farms, feed mills, godowns, cold storages and other plant and equipments. |                              |                              |
| a. Future minimum lease rentals payable under non-cancellable operating leases are as follows :                                                               |                              |                              |
| Within one year of the balance sheet date                                                                                                                     | 39.07                        | 40.11                        |
| After one year but not more than five years                                                                                                                   | 37.52                        | 20.00                        |
| More than five years                                                                                                                                          | 23.44                        | 21.25                        |
| b. Lease payments recognised in the statement of profit and loss for the period                                                                               | 757.63                       | 634.67                       |
| <b>12 EARNINGS PER SHARE (EPS)</b>                                                                                                                            |                              |                              |
| a. There is no potential equity shares and hence the basic and diluted EPS are the same.                                                                      |                              |                              |
| b. The calculation of the Basic and Diluted EPS is based on the following data :                                                                              |                              |                              |
| Net Profit for the year after tax                                                                                                                             | 1,869.83                     | 3,404.42                     |
| Weighted average number of equity shares outstanding during the year                                                                                          | 9,391,557                    | 9,391,557                    |
| Basic and Diluted EPS for equity share (Face value of Rupees 10/- each)                                                                                       | 19.91                        | 36.25                        |
| <b>13</b> Previous year's figures have been regrouped/recast/rearranged wherever necessary in order to conform to current year's presentation.                |                              |                              |

As per our attached report of even date

For **SUDIT K. PAREKH & CO**  
Chartered Accountants  
Firm Registration Number : 110512W  
**CH. SOMA RAJU**  
Partner  
Membership Number : 200354  
Place : Pune  
Date : May 29, 2015

For and on behalf of the Board of Directors of  
**VENKY'S (INDIA) LIMITED**

**ANURADHA J. DESAI**  
Chairperson

**B. BALAJI RAO**  
Managing Director

Place : Pune  
Date : May 29, 2015

**B. VENKATESH RAO**  
Vice Chairman

**A. G. BAUSKAR**  
Chief Financial Officer &  
Company Secretary

**VENKY'S (INDIA) LIMITED**

Registered and Corporate Office: "Venkateshwara House", S.No. 114/A/2, Pune-Sinhagad Road, Pune-411 030

Date: May 29, 2015.

Dear Shareholder(s),

**Option for ECS Mandate / Bank Mandate**

**ECS Mandate**

As an added service to our shareholders, we are pleased to offer the facility of electronic credit of dividend directly to the respective bank accounts of our shareholders, through Electronic Clearing Service (ECS). Shareholders who would like to avail this facility are requested to fill up the mandate form provided on page no. 107 of this report and submit the same to the Company's Registrar and Share Transfer Agent's office **latest by 31<sup>st</sup> August, 2015**. This service not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on postal system, loss / damage of dividend warrants in transit and correspondence relating to revalidation / issue of duplicate dividend warrants.

Kindly note that as per the directives of Securities and Exchange Board of India (SEBI), in respect of shareholders holding shares in dematerialised form, dividend shall be paid through ECS (where such facility is available) directly into the bank account furnished by the shareholders to their respective Depository Participant at the time of opening the Demat Account, provided that bank particulars and MICR details are made available to the Company in the beneficiary positions provided by NSDL & CDSL. **Such shareholders therefore need not submit the mandate form provided on the reverse of this letter but should ensure that the Bank particulars submitted to their respective Depositories are correct and valid.** In case it is desired to receive dividend in an account other than the one specified while opening the Demat Account, such shareholders may please inform the same to their respective Depository Participant immediately. The details informed to the Company or its Share Transfer Agent will not be considered in such cases.

**Bank Mandate**

Shareholders holding shares of the Company in physical form and who, for any reason, would not like to avail of the ECS facility being offered to such shareholders as mentioned above, are requested to furnish, (if not done earlier) in the mandate form provided on page no. 107, details of their Bank Account number and name of the Bank and the Branch, which would be printed on the dividend warrants to avoid fraudulent encashment thereof.

Kindly note that the ECS / Bank Mandate instructions should be under the signature of the shareholder(s) as per specimen lodged with the Company.

We seek your co-operation to enable us to serve you better.

Yours faithfully,

For **VENKY'S (INDIA) LIMITED**

**A. G. BAUSKAR**  
Company Secretary



Venky's (India) Limited

### FORM FOR ECS MANDATE / BANK MANDATE

I / We \_\_\_\_\_ do hereby authorise Venky's (India) Limited to-

- Credit my dividend amount directly to my Bank Account as per details furnished below by Electronic Clearing Service (ECS) - ECS Mandate ☐
- Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me - Bank Mandate ☐

(Please tick (P) in the appropriate Box)

Folio No(s) \_\_\_\_\_

|                                                                                                       |  |
|-------------------------------------------------------------------------------------------------------|--|
| A. Bank Name                                                                                          |  |
| B. Branch                                                                                             |  |
| C. Bank Address <b>(for ECS Mandate only)</b>                                                         |  |
| D. Bank Account Number                                                                                |  |
| E. Account Type (Savings / Current)                                                                   |  |
| F. 9 Digit Code number of Bank & Branch as appearing on the MICR Cheque <b>(for ECS Mandate only)</b> |  |
| G. STD code & telephone no. / mobile no. of Shareholder (optional)                                    |  |

I / We shall not hold the Company responsible if the ECS could not be implemented.

(1) \_\_\_\_\_ (2) \_\_\_\_\_ (3) \_\_\_\_\_

Signature of Shareholder(s)  
(as per specimen lodged with the Company)

#### Notes :

1. Please submit this form to the Company's Registrar and Share Transfer Agent's office at E-2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400 072 **on or before 31<sup>st</sup> August, 2015.**
2. Please attach a blank cancelled cheque or a photocopy of a cheque issued by your Bank relating to your above account.

### REGISTRATION OF E-MAIL ADDRESS FORM

To,  
Bigshare Services Private Limited (Unit : Venky's (India) Limited)  
E-2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.

I/we shareholder(s) of Venky's (India) Limited hereby accord my/our approval to receive annual reports, notices of general meetings/postal ballot and such other documents that are allowed by the law, to be sent in electronic mode from time to time.

I/we request you to note my/our latest email address, as mentioned below. I/we attach the self attested copy of pan card or passport towards identification proof for the purpose of verification.

|                                     |  |
|-------------------------------------|--|
| Folio No. / DP – Client ID          |  |
| Name of the first/ sole shareholder |  |
| Name of joint shareholder(s) if any |  |
| Registered Address                  |  |
| E-mail address (to be registered)   |  |

Place :

Date :

(Signature of Shareholder)

### NOMINATION FORM (FORM NO.SH-13)

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies  
[Share Capital and Debentures) Rules, 2014]  
(To be filled in by individual(s) applying singly or jointly)

To,  
M/s. Venky's (India) Limited  
"Venkateshwara House", S.No.114/A/2,  
Pune-Sinhagad Road, Pune - 411030

I/We \_\_\_\_\_ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

#### 1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

| Nature of Securities | Folio No. | No. of Securities | Certificate No. | Distinctive Nos. |
|----------------------|-----------|-------------------|-----------------|------------------|
| Equity Shares        |           |                   |                 |                  |
|                      |           |                   |                 |                  |
|                      |           |                   |                 |                  |

**2. PARTICULARS OF NOMINEE/S :**

|                                   |  |
|-----------------------------------|--|
| Name                              |  |
| Date of Birth                     |  |
| Father's/Mother's/Spouse's Name   |  |
| Occupation                        |  |
| Nationality                       |  |
| Address                           |  |
| Email Id                          |  |
| Relationship with Security Holder |  |

**3. IN CASE OF NOMINEE IS A MINOR :**

|                            |  |
|----------------------------|--|
| Date of Birth              |  |
| Date of attaining majority |  |
| Name of guardian           |  |
| Address of guardian        |  |

Signature of Security Holder(s)

Name:

Signature of Nominee(s)

Name:

Witness:

Sign:

Name:

Address:

Date:

Place:

*This Page is kept blank intentionally*



## VENKY'S (INDIA) LIMITED

Registered Office :  
"Venkateshwara House", S. No. 114/A/2,  
Pune-Sinhagad Road, Pune-411 030.

### PROXY FORM

Form MGT-11

|                          |                                                                                  |       |  |
|--------------------------|----------------------------------------------------------------------------------|-------|--|
| CIN:                     | L01222PN1976PLC017422                                                            |       |  |
| Name of the Company:     | <b>Venky's (India) Limited</b>                                                   |       |  |
| Registered Office:       | <b>"Venkateshwara House", S.No.114/A/2, Pune - Sinhagad Road, Pune - 411030.</b> |       |  |
| Name of the Member (s) : |                                                                                  |       |  |
| Registered address :     |                                                                                  |       |  |
| E-mail Id :              |                                                                                  |       |  |
| Folio No/ Client Id      |                                                                                  | DP ID |  |

I/We, being the Member (s), holding ..... shares of the above named Company, hereby appoint :

- (1) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him
- (2) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him
- (3) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39<sup>th</sup> Annual General Meeting of the company, to be held on the 16<sup>th</sup> day of September, 2015 at 10.30 a.m at Hotel Le Meridian, Raja Bahadur Mill Road, Near Pune Railway Station, Pune - 411001 and at any adjournment thereof in respect of such resolutions as are indicated below :

| Item No. | Resolutions                                                                                                                                           | Vote* (Optional – See Note 3) |         |         |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------|---------|
|          |                                                                                                                                                       | For                           | Against | Abstain |
| 1.       | To adopt audited Balance Sheet of the Company as on 31 <sup>st</sup> March, 2015 and Statement of Profit and Loss for the year ended as on that date. |                               |         |         |
| 2.       | To declare dividend                                                                                                                                   |                               |         |         |
| 3.       | To re-appoint Mrs. Anuradha J. Desai as Director of the Company who retires by rotation and offers herself for re-appointment.                        |                               |         |         |
| 4.       | To ratify the appointment of Auditors.                                                                                                                |                               |         |         |
| 5.       | To ratify remuneration of Cost Auditors.                                                                                                              |                               |         |         |

Signed this ..... day of September, 2015.

Signature of Shareholder : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Affix  
Re 1/-  
Revenue  
Stamp

#### Note :

- The Proxy Form to be valid must be deposited at the Registered Office of the Company not later than Forty Eight Hours before the time for holding the aforesaid meeting.
- In the case of Bodies Corporate, this Proxy Form shall be given under the seal of the Company
- \* It is optional to indicate your preference by placing the tick (✓) mark at the appropriate box. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.







## **VENKY'S (INDIA) LIMITED**

### **Registered & Corporate Office:**

Venkateshwara House, S.No. 114/A/2, Pune-Sinhagad Road, Pune 411 030.

Tel.: (020) 2425 1530 - 41 Fax: (020) 2425 1077, 2425 1060.

E-mail: [corp.shares@venkys.com](mailto:corp.shares@venkys.com) Website: [www.venkys.com](http://www.venkys.com)