



**Venky's (India) Limited**

Regd. & Corporate Office :  
'Venkateshwara House', S.No. 114/A/2,  
Pune-Sinhagad Road, Pune-411030, India.  
Phone : 020 - 71251530  
Fax : 020 - 2425 1077, 2425 1060  
www.venkys.com  
CIN : L01222PN1976PLC017422



**12<sup>th</sup> November, 2025.**

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

Corporate Relationship Dept.,  
Bombay Stock Exchange limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001.

Dear Sir,

**Subject:** - Transcript of Conference Call held on 10<sup>th</sup> November, 2025.

Please find attached herewith the transcript of the conference call for investors and analysts held by Venky's (India) Limited on Monday, 10<sup>th</sup> November, 2025 at 02.30 P.M. IST.

Kindly take the said information on your record and acknowledge the receipt.

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

**ROHAN BHAGWAT  
COMPANY SECRETARY &  
COMPLIANCE OFFICER**

**Encl:** As above



“Venky's India Limited  
Q2 FY '26 Earnings Conference Call”  
November 10, 2025



**MANAGEMENT:** **MR. N. K. TOSHNIWAL – GENERAL MANAGER, OIL SEED SEGMENT – VENKY'S (INDIA) LIMITED**  
**MR. DEEPAK KHOSLA – GENERAL MANAGER, AHP SEGMENT – VENKY'S (INDIA) LIMITED**  
**MR. J. K. HANDA – CHIEF FINANCIAL OFFICER – VENKY'S LIMITED**  
**MR. NITESH GANDHI -- AUTHORIZED REPRESENTATIVE – VENKY'S (INDIA) LIMITED**

**MODERATOR:** **MR. PROBAL SEN – ICICI SECURITIES LIMITED**



**Moderator:** Ladies and gentlemen, good day, and welcome to Venky's Q2 FY '26 Earnings Conference Call hosted by ICICI Securities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Probal Sen from ICICI Securities. Thank you, and over to you, sir.

**Probal Sen:** Yes. Thank you so much. Good afternoon, gentlemen and ladies. Thank you for making the time to attend this post Q2 results briefing of Venky's. With us, we have members of the senior management from the company, including Mr. J.K. Handa, who is the Chief Financial Officer; Mr. N.K. Toshniwal, the GM of the Oilseeds segment; and Mr. Deepak Khosla of the AHP segment, alongside Mr. Nitesh Gandhi, authorized representative for the company.

The format is the same as always, we would hand over to the management for their opening remarks, post which we'll have an interactive Q&A session. So I'll just hand it over without further ado to the management. Over to you, sir.

**Management:** Thank you, Mr. Hardik and Mr. Probal. A very good afternoon, and thank you all for joining us today for this conference call of Venky's India Limited. The company had published the financial results for the quarter and half year ended 30th September 2025, along with the information for investors on 7th of November.

I hope you all have gone through the same. Today, we have with us the heads to answer all your queries in respect of their respective segments and the area of operations. Before we start discussing the company's performance, I would like to mention that some statements made in today's discussion may be forward-looking in nature and may involve risks and uncertainties. After the end of this call, in case you have any further questions, please feel free to reach out to the Investor Relations team.

I will now hand over the call to Mr. Jiwan Handa, our CFO, to make the opening comments. Over to you, Mr. Handa.

**J.K. Handa:** Good afternoon, everybody, and a very warm welcome to all our shareholders and investors. I'm Jiwan Handa, CFO. We are meeting today to discuss on the Venky's earnings call for the quarter and half year ended September 2025. I hope you have gone through the audited results and also the detailed information to investors.

For the quarter ended September '25, the company's financial performance was affected mainly due to the unexpected fall in the profit margins to the poultry and poultry products segment. Sales turnover as well as profitability was affected to the lower realization, basically the lower realization in day old broiler chicks in CBF Birds and Broiler Hatching Eggs, all this has affected to the top line as well as the bottom line.



This is mainly also due to the festival during this period, which is like Ganesh Chaturthi, Navratri, Pitrapaksh and abnormal rains and flooding in the northern region where the company operation is there.

The Animal Health Products segment has registered satisfactory performance. Performance of Oilseed segment continued to improve. Recently, improvement in realization is visible. And with the onset of winter, we hope to see better performance. With this briefing, our senior management is available here to answer all your questions.

You may go ahead with questions. Thank you.

**Moderator:** First question is from the line of Ankit Kapoor, an individual investor.

**Ankit Kapoor:** Sir, first of all, congratulations for the worst performance you have posted for this quarter once again, right? And for your record, your company has become the worst performer in stock market. I mean, who has invested 7 years ago, INR10 lakhs in your company, his money has become almost INR7 lakh now even after 7 years.

So first of all, congratulations to the whole management team and to the promoter, okay? And if you can't handle the poultry business, why don't you just demerge the animal health care business from the poultry one? I mean, quarter after quarter, your company is posting losses and you're eroding shareholders wealth.

And management is not able to come on the con-call, Mr. Desai and Mr. Rao. I mean I don't understand what kind of company are you? So I don't know as an investor where my money will go. Okay. Your share is trading at all-time low now. So I don't know where the business is going. I don't know. So I just want answers from the management team on a serious note.

**Management:** We have taken note of your comments, and we'll get back to you shortly on this.

**Moderator:** The next question is from the line of Kiran from TableTree Capital.

**Kiran:** Congratulations on a decent set of results, especially in Animal Health. Sir, I have one strategic question and one about specific question. The strategic question essentially is that it's been 8 years since we saw the cycle in poultry that's been happening.

Is this the longest because you guys are experienced and we know too much about the cycles and everything else compared to us. So is this the longest you have seen before the poultry cycle plays out?

Do you think the cycle is taking longer because more -- in terms of animal health, there has been more protection, more hygiene and therefore, the cycles are taking longer to play out in terms of shortages and everything else? If you could just give a strategic overview around this poultry cycle per se because it's been 8 years, it would be very helpful for us as investors to have the right expectations?

**Management:** Handa, You will be responding?



**J.K. Handa:**

Yes, yes. I am responding. Mr. Kiran. In regard to the poultry cycle and poultry-related segment, see, every year, the first quarter remains good. The second quarter becomes bad due to the festivals involved during this segment. But this particular year, the prices were unexpectedly poor, lower than the market expectation, market requirement. This may be due to the demand and supply also.

But due to the poor prices, the entire thing has messed up during the second quarter, which was not expected to the management also. If we see the broiler chicks, broiler bird and broiler hatching, even we have a pack production in line. But due to the poor prices, the segment has reported very bad.

And due to this only, there's a huge amount of losses. But if we compare with the numbers which we are having and the drop in the prices, even if we compare with the previous year, it's a huge amount to the extent of INR140 crores.

So it is not like that this has happened for the first time. It is happening every time. But this year, it is -- I mean, prices-wise, it is low what we expected normally in the second quarter. Thank you.

**Kiran:**

Got it, sir. No, sir, I was not really asking about quarter-wise. We understand the cyclicity in Venky's in terms of Q2 being the lowest, right? But my question was larger in terms of -- because you guys have 20, 30, 40 years of experience, much more than some of our ages. I was just asking if the poultry cycle, 8 years is a very long cycle before the prices perk up or is it reasonable?

Is it every 8 years or every 6- to 8-year cycle, you have the general poultry cycle where prices go up? Or you're saying the cycle is longer this time because the hygiene standards in India have gone up, the medicines to poultry have gone up, and therefore, there are very little shortages that are coming through because of this. I was asking a larger question, sir. It's not about a quarter-to-quarter.

**J.K. Handa:**

No, that is all right. That is all right. But again, in the poultry also, there are different segments like layer segment, which is having a seasonal period differently. In the winter season, the prices are good. In the summer season, the prices are little on the poor side. But in terms of our business, since we are selling the day old chicks in this month, April, May, June is a fantastic month.

I mean, in terms of layer segment, whereas the broiler segment is also good in terms of market rate and all in April, May normally. But as the summer starts, 2, 3 factors come into the picture.

Summer -- extreme summer affects the product safety, which increased the cost as well as a lower realization. But in terms of layer segment is differently behaving. Layer segment goes off-season goes starting from July onwards till even December, January. So this is a separate segment.



Broiler is a separate segment which is in general in all the years. But this year, the prices and the productivity on account of the -- I mean, weather conditions and all has affected a very low realization as well as the number.

**Kiran:** Got it, sir. Got it. And sir, given we are mid-November almost, do you see the prices improving post Diwali?

**J.K. Handa:** See, from -- even in the October, after Dussehra, Diwali, and Chhath Puja, which has come in 1 month only in the month of October, in spite of that, the prices which were expected to increase from Dussehra onwards, it was not. Even after Diwali, it was not. But only in the last week of October, the prices have started moving positively in our favor. And presently, the prices are good, which is -- I mean, over the production cost, more than the production cost, which has started in the last week of October onwards, which was also expected a little early, but that has not happened.

**Kiran:** Got it, sir. My last question on Animal Health, sir, in terms of -- because you've been growing that portfolio relentlessly and it's very good. One, do you see animal health, given that now we have established a brand and everything else?

Do you see the progress of revenue on Animal Health accelerating from here on? Or do you still think it will grow in the 12% to 15% range in terms of revenue, sir, forget about profitability.

In terms of revenue, do you still see 12% to 15% growth? Or do you see a little more exponential of 20% to 25% growth in Animal Health products? And how much of Animal Health revenue is captive and how much is non-captive? Those are my 2 questions on Animal Health.

**Deepak Khosla:** Yes. It's Deepak Khosla here. In case of the Animal Health business, it's very consistent and growing year after the year, given the profitability as well as the top line. But it all depends on the poultry and live businesses. If you see that the poultry cost of production and selling price of the birds, the margins are tight or margins are a little negative. Definitely, it gives a pressure on the collection, dues, there will definitely be a pressure on that.

But overall animal health business, we have commissioned our project last year, the new unit at Kesavadi, which is definitely adding value to our system, and we are bringing a lot of new product line, which is very tuned to the kind of a natural solution, which is required in today's poultry scenario.

And definitely, these product line will definitely give us a quite edge in the coming years. And we are very confident that this business will definitely keep on growing this financial year also.

Last year, we closed something at INR335 crores. This year, we are hoping to cross INR370 crores, INR380 crores in the year-end further. And next year also, as some new things are in line, things will definitely happen good for this. Definitely from animal health business, it's a very stable business.



It's not directly related to the poultry production cost and all because we have to take care of health of the bird, whether the price is low and if the prices are high. So that's where overall come into the picture, and we'll see that in the coming year also, it will be very stable business. I hope I have answered your question, please.

**Kiran:** Sure, sir. Last captive and noncaptive sir.

**J.K. Handa:** I'll reply that. In the outside customer, it is to the extent of 45% is the business. And in the group companies, it is 55% business of that AHP segment.

**Moderator:** The next question is from the line of Keshav Garg from Counter Cyclical PMS.

**Keshav Garg:** Sir, I wanted to understand the realization per kg of broiler of DOC and of maize, soya and cost of production per kg for Q2?

**J.K. Handa:** Okay. Mr. Garg, as far as the prices are concerned, day old broiler chick prices for this half year period in 9 months -- 6-month period is INR26.48 per chick, whereas the previous year, the same period of 6 months, it was INR37.22. That means there is a decline of INR10.74 per chick in broiler chick segment, day old chick segment.

As far as the layer chick segment in this 6 months, it is INR45.39 and whereas the last year, it was INR43.14 and there is an increase of INR2.25 per chick price realization increase. In regard to the CBF bird per kg realization for this 6-month period is INR80.57, whereas in the last 6 months period, it is INR98.50 which means there is a decline of INR17.93, there is a decrease of INR17.93 per kg broiler chick -- broiler bird.

In regard to the broiler hatching eggs, it was earlier INR17.02 -- this 6-month period, it is INR17.02 whereas the last 6 months, it was INR27.81 -- so there is a decline of INR10.79 per broiler hatching eggs. Similarly, in the case of DOC, the realization is INR33,571 per ton, whereas last 6 months, it was INR39,477 per ton.

In regard to the refined oil per metric ton is INR122,462, whereas last year, it was INR96,670 per metric ton. So these are the prices. In regard to the SPF, it was INR78.23 in this 6 months, whereas last year, it was INR78.58. There is a negligible reduction to the extent of INR0.34 in the SPF prices. I hope I have given all the prices of all the major segment of the poultry.

**Keshav Garg:** No. But what about per kg price of maize and soya and cost of production per kg of broiler.

**J.K. Handa:** The average rate for the maize -- maize for this 6-month period is INR25,290 per metric ton is the maize price. For the corresponding period, it was INR26,421 per ton maize prices. There is a reduction to the extent of INR1,131.

In regard to the soya, the price of this 6 months is average of INR36,154 per ton, whereas last year, it was INR43,316 per ton soya prices. So there is a reduction of INR7,163 per ton soya prices -- soya meal prices. As far as our costing is concerned of CBF bird -- CBF bird it is almost INR85 -- INR86 per kg is the production cost of commercial broiler bird for this 6-month period, whereas the last time, it was again on the similar line, almost INR86, INR87.



- Keshav Garg:** Sir, and this is for H1, what about Q2 numbers, Q2 realization of broiler DOC, broiler per kg and cost of production of Q2?
- J.K. Handa:** This I have given the 6-month data -- half yearly data versus half yearly data.
- Keshav Garg:** Yes, I know that. But what about second quarter because the losses in the second quarter are the highest. First quarter was almost breakeven for the poultry segment.
- J.K. Handa:** Okay. I'll try to find out just quickly for this quarter results for the broiler chicks part is concerned.
- Keshav Garg:** So, sir will it not be better if you could just provide all this information in the investor presentation for the benefit of all the investors. But in any case, sir, now the thing is that now poultry realizations are low for everybody, not especially for Venky's. So how is it that Godrej Agrovet poultry segment is breaking even comfortably?
- J.K. Handa:** See, as far as the Godrej Agrovet, they are having the different geographical area for the operation, whereas Venky's is having a different geographical area for the operation in terms of broiler bird. We are operating from Jammu Kashmir to Bihar as per our business -- Jammu Kashmir, Punjab, Haryana and Rajasthan and as well as the West.
- Whereas that Godrej Agrovet is not having the operation in regard to the broiler chicks or broiler bird or layer chicks in this area -- in this geographical area. As far as your suggestion in regard to provide the data in the results, that we will take up the matter with the management and Board.
- Keshav Garg:** Okay, sir. So this quarterly data, you can kindly post call, you can send me?
- J.K. Handa:** You can note down the second quarter data is also available. Commercial broiler chicks rate is INR21.42, layer chicks rate is just INR45 per chick. As a commercial broiler chicks rate, INR71.27 and broiler hatching it is INR18.96. The major four segments because the losses are in the broiler segment only chicks as well as the birds. So that I have provided to you the data for the second quarter only.
- Keshav Garg:** Sir, now recently, maize and soya prices both are trading below MSP. I understand maize prices have declined from INR24, INR25 kg to something like INR18 kg. Can you confirm that?
- J.K. Handa:** It is true. The soybean and maize, both the prices are -- even the Bajra, even the pulses, all in October, they have traded 25% below the MSP prices in the whole country.
- Keshav Garg:** Sir, so that being the case, now are we seeing some spreads improving? And do you think in the second half of this financial year, the poultry segment will be able to make some money?
- J.K. Handa:** Yes, sir. We are sure of that because we are having the pack production and the realization also seems to be better from the October last week onwards till date, things are very much positive and better. And hopefully, we'll cover up the -- not only the losses, we will try to make the money also because we are having the pack production with us.





**Keshav Garg:**

Sir, now since our parent company has 75% market share in this parent bird placement, sir, so from that only, you can have some idea that whether there will be an oversupply in the industry or undersupply. So why is it so difficult for us, I mean, because if the parent bird placements are more than what the demand is, then prices will go down and vice versa. Sir, so as per the parent bird placements, what is the demand-supply equation like?

**J.K. Handa:**

Mr. Garg, as far as the parent placement is concerned, that is very much as per planning as per -- I mean, earlier period also. But what is happening in the poultry, like this festival season has come, for example, that today, the total availability of the material is -- there is 1 lakh kg material available. If the demand is there for those things, naturally, that material will be sold out at a normal average weight, maybe 2.2 kg and all. But if the price is not in favor, so people will try to postpone the requirement.

So then in that case, the bird getting high body weight. So 2.2, it goes to even 2.4, 2.5 without having the parent placement in place though it is in place, the availability of the material goes up because the material movement is not as per the expectation due to the abnormality like festivals and many other things.

So that hampered the demand supply situation anywhere in any geographical area. So that's the reason in spite of having many positive factors, this is not -- I mean, there, which could be, I mean, forecasted well.

**Keshav Garg:**

Sir, now lastly, our stock price as the initial investor also, he lamented about the wealth destruction of the shareholders. Sir, so the things that are not in our hand, we can't do anything about festivals, price of maize and so on but things that are in the control of management, at least do that, at least return the money of the company, which is due from the promoters and why not use that money to do a share buyback and the promoter holding can increase from the current level of 56% to 75%.

Sir, will that not basically be more beneficial for the promoter group rather than just not returning the money of the listed entity, which anyway puts pressure on the stock price due to poor corporate governance. So kindly convey this message to the promoters.

**Moderator:**

The next question is from the line of Akhil Parekh from B&K Securities.

**Akhil Parekh:**

My first question is on the poultry segment. If I look at the EBIT losses, right, of around INR58 crores. These are kind of record losses we have seen in this segment over the last 5 years and barring 4Q of FY '20, which was a COVID-impacted year. So there is definitely something to do in this business, and it's not just limited to the early festive season.

So our channel checks are indicating that there is a substantial increase in the competitive intensity in the poultry segment. If you can please confirm that and how is the supply-demand situation right now in the poultry segment? That's my first question.

**J.K. Handa:**

As far as the demand-supply situation on the poultry and poultry products is concerned, layer segment is quite stable and behaving very well in spite of having early losses. In regard to the



broiler, it has started very well in the first quarter as April and May, it went very well as per our expectation.

But from June onwards till October last week, it is not as per the expectation. Though the second quarter always remain problematic due to the many conditions, many circumstances. But this was -- this year, this quarter was quite low on the front of the realization and demand supply situation.

When the material is in -- I mean, the lower range or the rates get down, the buyer is also postponing their purchases. So ultimately, it is affecting the body weight, it is affecting the supply available. So hopefully, from October last week onwards, things are improved, not only in the northern region where the major operation is there of the company as well as the rest of operation.

But all over India, things are improved. Hopefully, the material is also moving, and there will be a good price -- constant price would be there up till March onwards -- up till March.

**Akhil Parekh:** So sir, just to reconfirm what we are indicating is it has -- it is more to do with the seasonal nature and there is no structural change in the competitive intensity in this segment. Is that understanding correct?

**J.K. Handa:** Yes. Yes, it is there. Yes.

**Akhil Parekh:** Okay. So now given that the festive season is over, what you are suggesting is second half should definitely have far better realization and hence, operating profitability in the poultry segment.

**J.K. Handa:** Looks like that. It looks like that.

**Akhil Parekh:** Sure. Sir, second question on the raw material pricing trend, right? You indicated that maize and soya prices are in a declining range. So should we see the benefit of raw material in the second half of this year?

**N.K.Toshniwal:** Yes, I think the things are positive as far as the raw material prices are concerned. And we feel this is likely to -- the situation is likely to continue for some more time because agri business internationally taking a shift from the U.S. dominated to now Brazil, Argentine and China. So I think the agriculture situation, we see that there will be a lot of easy things now. And poultry will be able to take benefit of it.

**Akhil Parekh:** Sure. Third and last question on the oilseed business, right? I mean business has seen some improvement over the last 3 quarters. The EBIT margins are now close to 3%. Do you -- what are some of the factors if you would like to highlight, which is preventing us to reach the previous level of 4.5%, 5.5% of EBIT margins we have seen in this segment?

**N.K.Toshniwal:** There are 2 things are taking place. One thing, the soybean, which is a raw material for the company, that has grown by the minimum support price. And material is already trading below



almost 20%, 25% below MSP. So the possibility of getting a good margins happens only when there is upward trend in the market.

Here, the prices are already trading below MSP. The farmers have the resistance to hold the material also. And the margin also declined. Why the prices are low because demand is not there. That's the reason. And when the demand is low and the price is downward, I think keeping that margin itself is a challenge.

**Akhil Parekh:** Sure. So is it a fair understanding like if the maize and soya prices go up, it's only then we'll see the improvement in the margins for this segment?

**N.K.Toshniwal:** It is not the prices because what happened, the soybean prices are connected with the 2 things. One is the oil, one is the DOC both. So as far as the oil prices are concerned, already that is contributing to the inflation, it is under watch with the government. So there's not much room for the oil prices to go up. DOC prices are already trading at a very lowest level.

So prices are not likely to move with both the segments. And another thing that we are -- that the USA, our tariff discussions are pending. So there's a quite uncertainty about the soya factor, what kind of a treaty, what kind of a tariff arrangements are going to take place with the USA. So I think maybe after November, the oil situation will become very clear.

**Akhil Parekh:** Sir, if the U.S. imports are allowed, will that be a beneficial situation for us?

**N.K.Toshniwal:** No, not at all. Because today, what happened, we are importing about 70% of edible oil of India's requirement, mainly dominated by the palm oil, which is a cheaper option. And soya oil is imported from the Argentina. If government has to support the U.S.A. tariff, then the soya tariff has to come down, and that has to sell below palm oil prices. So that will be a negative for the Indian soya bean farmers.

**Moderator:** The next question is from the line of Keshav Garg.

**Keshav Garg:** Sir, now in the newspapers, they are saying that the negotiations between Indo U.S. is moving towards India permitting imports of GM corn for ethanol blending and exporting the DDGS so that the GM this thing does not contaminate the food chain. Sir, so assuming that this happens, then will this be beneficial for the poultry industry? Because I understand that our poultry division is being hit by high maize prices, whereas the Oilseed division is suffering due to the cheaper DDGS, which is a substitute to DOC cakes.

**N.K.Toshniwal:** See, there are 2 things are there. One thing, the -- you are right that there is a talk that the corn import will be allowed for the ethanol manufacturing. But the compatibility of exporting DDGS is not there because the transportation logistic cost is very -- is going to be double logistic cost. So we will not be able to export the DDGS from India at a profit or at a competitive prices. So that aspect is, I think, is in question.

Government has taken two actions in last about 1 or 1.5 months that the product which are in competition with the DDGS, one is the dual rice bran, they have permitted the exports of that. Second thing is a wheat brand that is again a competitor for the DDGS has been allowed to



export now. But I think both of them have not given a very good results. The DDGS is widely available in the America at a much cheaper prices.

**Keshav Garg:** Sir so we don't have to export the DDGS to America. We can export it to any country which is tolerating GM food, GM crop.

**N.K.Toshniwal:** The America can export why the India -- because India has to export corn, produce it here and then again, export DDGS, which is logistically expensive.

**Keshav Garg:** Sir, even to the nearby subcontinent country, like, let's say, to Bangladesh also, we can't export or Sri Lanka, so we cannot export DDGS?

**N.K.Toshniwal:** No, we cannot why the U.S. -- it can come directly from the U.S. to Sri Lanka. Why it has to be routed through India. And recently, the Bangladesh has already signed the agreement where they have said that they will be doing the soybean share of \$1 billion. Now whatever the soya DOC India was exporting to Bangladesh is also has come to a standstill.

**Moderator:** The next question is from the line of Madhur Rathi from Counter Cyclical Investments.

**Madhur Rathi:** Sir, just wanted to understand with declining raw material prices, how are the realizations expected maybe over the next 1 or 2 quarters? And sir, generally, does a decline in raw material lead to a realization decline for broiler birds as well as chicks?

**J.K. Handa:** Yes. So as far as the broiler chick prices are concerned, broiler bird prices are concerned, your -- I mean, those are getting a decent -- I mean, over the cost of production nowadays from October onwards, it is expected to be there in the coming year also up to March because those is the consumption period and having a decent climatic condition in favor of the poultry also. So in that case, the -- what was your question in this regard sorry?

**Madhur Rathi:** Sir, I wanted to understand regarding the realization and spreads because if raw material prices are declining, sir, won't that reflect in our realizations going forward?

**J.K. Handa:** See the cost of production is almost to the same range, that is INR85 to INR87 during this period also and earlier period also, which is likely to be remaining. The major and important factor is the realization.

As I told you, even in this 6-month period versus last 6-month period, even the prices if we compare volume is intact, the difference would have been INR140 crores plus on the positive side.

So this kind of variation in the broiler chick prices, broiler hatching egg and broiler bird prices because of the lower realization, that is a major and very important factor for the sake of top line as well as the bottom line. Raw material prices today, broiler birds and cost of production is not immaterial. That will be reduced once the crop is available like in the northern region where the major operation is there in the West, the maize which is 60% is having -- is not having the reduction in the rate that will start from the April onwards.



So raw material side, cost of production side, it may not having a much impact, but the realization will make definitely difference in the top line and bottom line.

**Madhur Rathi:** So is it fair to assume that the major raw material impact for Venky's will come next year rather than over the next 2 quarters?

**J.K. Handa:** Sorry, come again?

**Madhur Rathi:** Sir, whatever raw material pricing that is trading at below your MSP prices, so is it fair to assume that this improvement in raw material or cost of production for Venky's will come in next year rather than the H2 of FY '26?

**J.K. Handa:** Toshniwal sir, he is asking about the soya prices basically, which is a raw material for the -- I mean, all segment also kindly reply.

**N.K. Toshniwal:** See soya prices have been fairly stable last 6 months. And coming 6 months also, we don't see much of a difference in that. It is likely to be the same only.

**Madhur Rathi:** And sir, that is true for maize as well, so got it sir.

**Moderator:** The next question is from the line of Deepak Vyas from Financial.

**Deepak Vyas:** Yes. I want to know how much capital is tied up in poultry segment? And the second question is about your farms. How much is the average land being used for the poultry segment in your commercial farm and sir how much is the...

**J.K. Handa:** Mr. Deepak, sorry to interrupt. Your voice is a little low. I mean, talk a little louder and repeat your questions again.

**Deepak Vyas:** I want to know how much is the capital...

**Moderator:** Sorry to interrupt Deepak still your voice is coming low. This is the operator.

**Deepak Vyas:** How much is the capital tied up in the poultry segment?

**J.K. Handa:** Capital tied up in the poultry segment.

**Deepak Vyas:** Yes. The second one how much is the initial plan...

**J.K. Handa:** Voice is not clear. Your voice is not clear.

**Deepak Vyas:** How much is revenue in commercial -- commercial farm.

**Management:** Handa sir, can I answer? I have got his question.

**J.K. Handa:** Yes, yes, please answer.



- Management:** Yes. So the answer -- to your first question, how much capital is tied up. So if you see our financial results on the segment asset side, the poultry and poultry products for the quarter ended, it is INR814 crores whereas -- which is the same for all the periods.
- And about your question about the land under poultry segment, so basically, poultry segment has various operations, which are different. Some lands are some like contract dollar farming. So we don't own the land. That is owned by someone else. So this question to answer it is very difficult. You can e-mail us. We'll give you a detailed reply to it.
- Deepak Vyas:** What is the e-mail ID I should.
- Management:** You can share it on the company secretary's e-mail ID rohan.bhagwat@venkys.com. You can find it in the annual report also. You can share it.
- Moderator:** The next question is from the line of S.C. Gupta as an individual investor.
- S.C. Gupta:** I would like to know what are the current prices of boiler and chick and what was the realization in October?
- J.K. Handa:** As far as the current prices of broiler chicks and broiler birds is concerned, broiler chick prices ranging INR38, INR39 per chick -- and it's all 12 states which we are operating under Venky's. As far as the broiler birds are concerned, it is ranging from -- at present. I mean from yesterday, we can say it is INR98 to INR105 or INR106 is a price realization in the different states starting from Jammu Kashmir to Bihar as well as Maharashtra is INR105 to INR106.
- S.C. Gupta:** INR105, INR106. And one more thing. My previous people have also asked this, with respect to there is a drop in maize prices by around 15%, 20% -- so it would have an impact on the cost of production?
- J.K. Handa:** Toshniwal sir.
- N.K.Toshniwal:** Yes, it should have.
- S.C. Gupta:** So will that get reflected in this quarter?
- N.K.Toshniwal:** It should reflect in the second -- yes, third quarter.
- S.C. Gupta:** In the third quarter, that is the current quarter.
- Deepak Khosla:** Yes, yes, yes.
- S.C. Gupta:** And another question is with respect to the GST reduction in QSR segment. What is the impact of that GST reduction on our business? Is that business has done breakeven? And what are our expansion plans of QSR.
- Management:** Handa sir did you get the question?



- J.K. Handa:** Yes, yes. So as far as the GST prices which are reduced, ultimately, see, what we are -- I mean, getting the -- price structure was revised accordingly. If the price was INR100 and the GST was 18%, now it is INR12%. So ultimately, we are collecting less and paying the same thing to the government. So it's not having our -- impact on our realization and all.
- S.C. Gupta:** No, my question was that because of GST reduction, whether demand has gone up for our CSR plant, the expansion plan will go up.
- J.K. Handa:** It should surely be up. But as far as the capacity part is concerned, there are different -- I mean, product segment even in that. But surely, it should have a positive factor for the sake of, I mean, number.
- S.C. Gupta:** Okay. And is this business doing breakeven as of now? QSR?
- J.K. Handa:** It is still in the phase of, I mean, making the breakeven point because a lot of stress is there, all like the same is poultry because if the demand is not there, demand is on the low side, the breakeven point is also in a question. So during this second quarter, particularly, the sales prices or -- I mean, volume or business in terms of the QSR, also has -- gone down, which is not in the first time, which is every time when the poultry prices are down.
- S.C. Gupta:** So it means it will again pick up in the second half as the poultry prices pick up demand -- demand picks up.
- J.K. Handa:** Yes, yes. Yes, yes. It will be surely that. Yes.
- S.C. Gupta:** And sir, my final question is with respect to cost of production for chick. What is the current cost of production for chick?
- J.K. Handa:** The cost of production for the broiler chicks is to the extent of almost INR28 to INR30 per chick. And for the layer, it is somewhere around almost INR36 to INR37.
- S.C. Gupta:** INR36 to INR37.
- Moderator:** The next question is from Sagar from Sagar Private Limited.
- Sagar:** I just want to know, I'm an investor from last 6 years, right? Earlier, 3, 4 years back, you used to say that raw material prices are so high, that's why we are not able to make profit. But this time, sir, if you see from last 1.5 years, the raw material prices have gone so down, the company is still not making profit. This is my first question.
- J.K. Handa:** Mr. Sagar, as I explained earlier, cost of production remains almost the same in terms of our main line that is broiler chicks and broiler birds and broiler hatching. But as far as the realization, it is making a lot of difference. Like I told you, last 6 months, the price difference was INR10.74 in broiler chicks and CBF bird it was INR17.93 per chicks, and with broiler hatching it was again INR10.79 for broiler hatching.



If we consider even the similar prices in this 6 months also, the price impact on the bottom line and top line to the extent of INR140 crores. So that is the impact. That is a vulnerability to the prices realization, which has impacted unexpectedly for a longer period than our expectation.

**Sagar:**

And what about for expansion plans? Is there any expansion plans?

**J.K. Handa:**

Expansion plan is as far as the SPF segment is concerned as far as is -- already going on. After the rainy season, it will start moving up as far as the capacity buildup is concerned. For the AHP segment already the capacity expansion was taken place. In regard to the poultry, we are thinking to plan in this '27, '28 in the layer segment to some extent. But right now, the numbers are -- packed number with us, which will take care of the market requirement.

**Sagar:**

Okay, sir. And sir, my last question is regarding your -- I still remember like 2, 3 years ago, you mentioned that after introducing animal healthcare, you said that each segment will play like 33%, 33%, 33%. But we can't see numbers, sir. So mainly, I think your poultry business is around 70% to 80% of revenue that comes from poultry. But earlier, you mentioned that each revenue will give equal percentage, if I'm not wrong.

**Management:**

No, Mr. Sagar, I don't think so that this was what the statement meant. May be some confusion. But the poultry and the oilseed segment were always the dominant segments for this company. So AHP is a stable increasing -- gradually increasing segment.

**Sagar:**

I hope your company do better.

**Moderator:**

The next question is from the line of Keshav Garg from Counter Cyclical PMS.

**Keshav Garg:**

Sir, in each of our divisions. So what would be the capacity utilization? Or in other words, what is the maximum revenue that we can generate if we operate at full capacity utilization at current realizations?

**J.K. Handa:**

Mr. Garg as far as the broiler segment is concerned, we are utilizing the 67% of capacity inbuilt with us. So there is a good room of 1/3 numbers can be jacked up if the opportunity comes. As far as the layer segment is concerned, again, it is almost 75% we are utilizing the capacity. And now the season will come from January, February onwards till June, July and all.

As if the opportunity we get, we'll surely back up with more numbers, which is left out portion to the extent of 25% and all. As far as feed mill is concerned, which is mainly -- I mean, captive consumption for the broiler birds and all, we are having a 52% utilization of the capacity.

In regard to the SPF, again, we are having a 50% utilization. Still we have a 50% production, which is left out -- if we get the good orders, we can surely use for the same thing. And similarly, in the oilseed segment also, the utilization of capacity to the extent of 50% to 55% at the moment.





So if we get the opportunity, the numbers are good, Poultry requirement is also good. So things will start moving well. We are having good amount of capacity in hand for the utilization in the opportunity company.

**Keshav Garg:**

Sir, now before how it used to happen, sir, that once the industry used to make good profit, I'm talking about the poultry segment, the farmers used to increase the capacity, which used to result in overcapacity, which used to lead to crash in prices, which used to lead to losses at the farmers end, which used to farmers scrubbing capacity and prices again going up.

So now I'm trying to understand that now industry since FY '22, now 4 years have gone by wherein the industry is either making losses or making hardly any return on capital. Sir, how long it would require, how much more long the down cycle is required for supply to go out of the market?

**J.K. Handa:**

If you see the numbers in bottom line as well as the top line, Mr. Garg, as our segment is itself saying AHP segment, Oilseed segment and poultry and poultry allied segment is concerned. One segment itself is taking so much dip, which is affecting the overall numbers in totality. Otherwise, in both other segments, things are quite stable.

I mean, AHP already, we are increasing the top line as well as the bottom line. Even in the soya segment also, the -- I mean, if we compare with the last 6 months number, the numbers of jump in the top line as well as the bottom line is there.

So poultry and poultry has behaved very bad that I had given the number earlier also that if these numbers, day old broiler chicks, broiler birds and broiler hatching, if we compare with the last 6 months versus this month, 6-month period, the last period rate would have been there, the jump of INR140 crores in the bottom line itself so you can well imagine the numbers where it will go.

So it is all depending on the realization, which is not in the hands of the producer. Market behaves, I mean it may have multiple reasons, circumstances for the sake of improvement, but there is a market availability and there is a demand also nowadays, which is going. Hopefully, we will try to cover the numbers in the days to come in the months to come.

**Keshav Garg:**

So sir, let me rephrase what I'm trying to understand. Now we had roughly INR60 crore loss in poultry segment this quarter. The industry would also have had some losses depending upon geography to geography.

So what -- how much capacity has gone out of the market if people are making losses, some people would have folded up, some farmers would have reduced their output or shut down altogether. Sir, so with -- that is what I'm trying to understand, whether any capacity has shut down.

**J.K. Handa:**

Yes, purely. One individual customer always looks for the market realization, market month season and all thing and then he shut down the things quickly because it's -- particularly it was broiler segment. In their segment, it's difficult. They are continuous. But in broiler segment, it is a circle of 45 to 50 days.



So they take a call quickly, both ways, negatively and positively, the demand is -- I mean, rates are good. So they take the quick start to restart the operation. And if those things are not, they keep it empty. They are keeping the farms empty so that they should not have a more loss in that respect. So that is a call.

I mean the people who are there in the industry, I mean, layer broiler farmers, they are very well aware -- they are very well aware of that price trend which is going on as well as the requirement. So it is very well there. I mean, market people who are operating, they close up and they start quickly.

**Keshav Garg:**

Sir, so then if they are closing, then why the prices are not going up?

**J.K. Handa:**

There is still -- as I told you, if the normal body weight is 2 kg in the summer, it is 1.8. But if the market is not taking the absorption of the material available. So automatically, the people will postpone the demand. So next day, the body weight will go up. When the body will go up, it will further make the material available, the price will have a negative effect on the price. So that's the reason, you know different poultry is behaving quite differently.

**Moderator:**

Due to time constraint, this was the last question for today's conference. I would now like to hand the conference over to Mr. Probal for their closing comments. Thank you, and over to you, sir.

**Probal Sen:**

Thank you for making the time to attend this, and thanks a lot to the management for taking the time and showing the patience to answer the questions in such detail. Sir, would you have any closing comments as we will close the call?

**Management:**

Yes, you can close the call. We thank all the participants. And if anything has remained unanswered, we can -- you can surely e-mail us. Thank you. That's all from our end.

**Probal Sen:**

Thank you, everyone. You may now disconnect the call.

**Moderator:**

On behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.