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

19th November, 2026.

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

BSE Limited
25th Floor
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai– 400 001.

Dear Sir / Madam,

Subject: - Transcript of Conference Call held on 16th November, 2026.

Ref: - Scrip Code (i) Bombay Stock Exchange Limited - **523261** and
(ii) National Stock Exchange of India Limited - **VENKEYS**

Please find attached herewith the transcript of the conference call for investors and analysts held by Venky's (India) Limited on Monday,16th November, 2026 at 02.30 P.M. IST.

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

FOR VENKY'S (INDIA) LIMITED

Rohan Ajay Bhagwat
Digitally signed by Rohan Ajay Bhagwat
Date: 2026.11.19 17:18:29 +05'30'

ROHAN BHAGWAT
COMPANY SECRETARY &
COMPLIANCE OFFICER

Encl: As above

“Venky's India Limited

Q2 FY27 Earnings Conference Call”

November 16, 2026

MANAGEMENT: **DR. VIJAY TIJARE – GENERAL MANAGER, POULTRY SEGMENT – VENKY'S INDIA LIMITED**
DR. P. G. PEDGAONKAR – CHIEF GENERAL MANAGER, POULTRY SEGMENT – VENKY'S INDIA LIMITED
MR. DEEPAK KHOSLA – GENERAL MANAGER, ANIMAL HEALTH CARE PRODUCTS SEGMENT – VENKY'S INDIA LIMITED
MR. J. K. HANDA – CHIEF FINANCIAL OFFICER – VENKY'S LIMITED
MR. ROHAN BHAGWAT – COMPANY SECRETARY – VENKY'S LIMITED

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

Moderator: Ladies and gentlemen, good day, and welcome to Venky's Limited Q2 FY '27 Earnings Conference Call hosted by ICICI Securities. Before we begin, a brief disclaimer. This conference call may contain forward-looking statements about the company, which are based on beliefs, opinions and expectations of the company as on date of this call. These statements are not guarantee of future performance and involve risks and uncertainties that are difficult to predict.

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

Probal Sen: Yes. Thank you very much. Good afternoon, everyone. Thank you for making the time to attend this post Q2 FY '27 results call of Venky's (India) Limited. With us, we have members of the senior management of the company, including Mr. N.K. Toshniwal, who is the General Manager of the Oilseed segment; Mr. Vijay Tijare, the General Manager of the Poultry segment; Dr. P.G. Pedgaonkar, who is an authorized person from the Poultry segment; Mr. Deepak Khosla, the General Manager of the AHP segment; and Mr. J.K. Handa, the Chief Financial Officer of the company, along with Mr. Rohan Bhagwat, who is the Company Secretary.

As always, we will begin with a detailed briefing from the management on the results, post which we will have an interactive Q&A session. Without further ado, I will hand over to the management for their opening remarks. Over to you, sir.

Management: Thank you, Mr. Probal. A very good afternoon, and thank you all for joining us today for the conference call of Venky's (India) Limited. Mr. N.K. Toshniwal, due to some unforeseen circumstances, couldn't join us today.

The company had published financial results for the quarter and half year ended 30th September 2026, along with information for investors on 13th November. I hope you all have gone through the same. Today, we have with us the unit heads to answer all your queries in respect of their respective segments and area of operations.

Before we start discussing the company's performance, I would like to mention that some statements made in today's discussions 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.

Management: Good afternoon, and a very warm welcome. I am Jiwan Handa, CFO. I take pleasure to discuss with all of you on the Venky's earnings call. I hope you have gone through the audited results for the second quarter and also the information to investors.

As you all have been from the published -- you have seen from the published results, the overall financial performance of Venky's for the quarter ended 30th September '26 was good as compared to last year's second quarter. For the Poultry and Poultry Products segment, generally, the second quarter is a weak quarter due to seasonal pattern and fluctuations in the demand for chicken products because of fasting period and also religious rituals, et cetera. However, because of better realizations, this segment performed well.

The Animal Health Products segment performance has been satisfactory. Coming to the Oilseed segment, the profitability has been affected due to sharp increase in soya seed prices in July and August, whereas there was a sudden fall in September, which led to lower realization, especially in the month of September. In other words, a reasonably good performance in July and August was offset by the negative impact in September.

Though we try to view the Oilseed segment as a steady performer, certain unexpected price movements impact the financial performance, which is a global phenomenon. As of 30th September 2026, the cash and cash equivalent is INR112.69 crores against September '25 of INR117.53 crores.

With this briefing, we now would like to answer your questions. You may please go ahead with questions. Thank you.

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

Keshav Garg: Sir, firstly, if you could begin by telling us the average realization of broiler per kg, average realization of DOC chick, and the average maize and soybean cost per kg?

Management: You asked the broiler chicks realization, it is in '26-'27, it is INR34.29 for first 6 months, whereas in last 6 months, '25-'26, it was INR26.48. This is broiler chicks I am talking. And similarly, the layer chicks was INR47.84 in this year, '26-'27 versus last year '25-'26, INR45.39.

In case of SPF eggs, it was INR91.48 in '26-'27 versus INR78.23 in the last year. Contract broiler farming, CBF bird, this year, it is INR102.46, whereas last year, it was INR80.56. For broiler hatching eggs, it is INR29.64 in '26-'27, whereas in '25-'26, it is INR17.02. In the Layer Hatching segment, it was INR13.24 per egg, whereas last year, it was INR12.46.

And similarly, in the DOC, it was INR54,021 per ton in '26-'27, whereas last year, it was INR33,571 per ton. And the refined oil, it was INR1,46,722 per ton was this year, '26-'27. And corresponding last year, it was INR1,22,462 per ton was of oil. And if you see the maize prices, maize prices was INR24,539 in '26-'27, whereas last year, it was INR25,334 per ton. Soya, it was INR56,520 per -- for 6 -- monthly '26-'27, and last, it was INR36,163 per ton. Yes.

Keshav Garg: Sir, if you could tell us for the second quarter, especially the broiler realization kg and broiler DOC per chick?

Management: Okay. In broiler chicks in the second quarter only, it was INR41.18 is the realization. And in September '25, it was INR21.42 realization broiler chicks. And layer chicks, it was INR47.89 in the September quarter, whereas last September '25, it was INR45 per chick. In case of commercial bird, broiler bird, INR108.57 for the September quarter price realization, whereas last year September '25, INR71.27.

And broiler hatchings, it's very important to note that is a broiler hatching price, it is INR33.85, whereas last year, it was INR18.96. And in case of layer hatchings, it was

INR13.22, as well as last year, it was INR12.44 per chick. These are the basic rate of broiler chicks, layer chicks, and birds and eggs.

Keshav Garg: And sir, what is our cost of production for broiler bird per kg for the second quarter? And what is the cost of production currently?

Management: Broiler bird, you are talking? Last -- I mean, this quarter, the cost of production is almost INR104 to INR105, whereas last year, it was almost INR90 per kg was the cost of production in September '25. Whereas the current rate of cost of production is ranging somewhere around INR110 because daily, the rates are going up and down, particularly the major protein as well as the energy sources there.

Keshav Garg: Understood, sir. Now sir, in your investor presentation, sir, firstly, I must congratulate you for the updated investor presentation, which is very informative. Sir, now here, it is mentioned that whenever the maize price is on the lower side, the margins of the company are high and vice versa. So sir, now that maize prices are on an uptrend, so what is the outlook for our -- I mean, have the broiler prices increased in tandem with the increased maize prices, especially in the third quarter?

Management: See, what you said is right that maize prices are extremely on the higher side. It was even reached to us almost INR33, INR34 also. But we are trying our best to offset with the same grain source with the availability of like bajra and all. So bajra is ranging, it is INR3 to INR4 lower than the maize prices in the region wherein we are having a major consumption. So we are trying to, I mean, optimize between maize and bajra to the extent is possible further so that to maintain the cost of production of broiler bird.

Keshav Garg: Sir, so in the past, like you have mentioned that whenever maize prices were under INR15 kg, which was FY '18, FY '21, the margins were around 20%. And whenever maize prices were above INR21 kg, so our margins were below 5%. So now the thing is that before this ethanol blending was not there, which is a recent phenomenon. So now that this is a new normal for maize prices, sir, so the question is that if maize prices have permanently increased, then how will the poultry industry adjust for elevated maize prices?

Sir, so I want to draw an analogy that, let's say, India is a closed steel market, that means no steel imports can happen. So if iron ore prices keep on going up and steel prices do not go up, so steel producers will start making losses and they will make enough losses. So ultimately, supply will go out of the market so that the steel prices go up. So at one point of time, no matter what iron ore prices go up to, there will be a sufficient increase in steel prices because steel cannot be imported, so to offset that increase in input price. So doesn't the same analogy hold true for poultry sector because ultimately, imports are not possible for poultry? So if maize prices keep on going up, at some point of time, the poultry prices need to adjust for that?

Management: 100%. I think what you have pointed out is absolutely right because the base itself has increased like anything. If you read recently that most of the commodity prices, including all the food prices, have gone up not less than 25%, 30%.

So we are bound to increase the price and that phenomena is being evident right now. Temporary, there might be a resistance for accepting these prices. But over a period of time, that new normal or new benchmark will be set because the input cost itself has gone up by 35%, 40%.

So for all commodity prices when they are on a rising trend, chicken and egg also cannot be an exception and these prices also are likely to go up. What recently has happened in milk also because we have never heard that they have increased the price by INR6 per liter or per kg within no time. So that is something which is mandatory because your input cost is going up like anything. So cost of production and the base itself is going up.

So we are expecting the same to happen because what happened in the past is only an indicative that may not be 100% true with the present and future. So definitely, maize prices are going up, so also the broiler prices and so also the egg prices will go up. For a period of month or 15 days, it might not be adjacent or it might not be correlating to each other. But over a period of time on a long-term basis, being a food commodity, definitely, the price of chicken and egg are likely to go up and consumer will, over a period of time, accept this price as a normal price.

Moderator: The next question is from the line of Niraj Khandelwal from NMDP Family Office.

Niraj Khandelwal: Yes. Sir, my question was on the oilseed business. How do we see the profitability of this -- for this current year because that has gone down quite drastically in the current quarter, which is there?

Management: Oilseed.

Management: So in Oilseed segment, the first quarter as well as up to July and August, things were very much positive in terms of both realization as well as the availability of seed and all. But from August -- 15th August onwards, the prices went differently. And in September, it was not in the manner, not expected the drop in the price of the seed as well as a large price on the DOC cake. So that has happened.

But since the crop of Maharashtra or wherever the major component is here is affected due to the rains and all. So there will be a pressure on the soya prices. It looks like that. But hopefully, we'll try to match up in the coming periods in terms of the top-line and bottom-line figures are concerned as far as soya is concerned. But surely, the crop component, the availability or production is getting affected due to rains in the most of the seed belt area.

Niraj Khandelwal: Okay. So basically, is it that the recovery, the price increase has to happen, there is a delay in the price increase that we are basically going to take that price increase for the input inflation that is expected or that is happening across?

Management: Yes, it looks like that. But the September was differently affected. The prices went down. So whatever the material was there, that was forcefully to sold out at a lower price. And hopefully, the trend is there. A similar trend is also there in the coming months. And hopefully,

in the other belts of Madhya Pradesh as well as the other areas of crop, we will try to cover up the things in the remaining months.

Niraj Khandelwal: So have we taken the price increase in the current month or something like that? Is it something that we can assume or understand, get some clarity on?

Management: Yes, it is there.

Niraj Khandelwal: Okay. Again, the second question was on the poultry product, which is there. What is the type of growth that -- we see that from a quarter-on-quarter, it is almost like a constant figure, which is there. So what is the type of growth that we expect across in our poultry product business, which is there for the current year?

Management: Basically, poultry, if you see quarter-to-quarter, it is not a linear growth. So definitely, there are certain -- I mean, consumption patterns, which affect on quarter-to-quarter growth. But over a period of time, we definitely can expect 4% to 5% of growth on an average basis in terms of poultry consumption. So that is likely trend, but that may not match on a quarter-to-quarter basis.

Niraj Khandelwal: Okay. And what about the Animal Health Product business? Because there has been a decline from a quarter -- from the previous quarter, like June '26 quarter.

Management: Yes. Quarter 1 and 2 on the margin, which was actually in the first quarter was around INR30 crores, then it came down to INR30 crores, and then it came down to INR23 crores. In last quarter, we have seen a little bit of dip slightly in the sale in the margin. But now things are looking forward. We have a lot of new product introduction in the pipeline that will help us to consolidate over in the coming months. Yes.

Niraj Khandelwal: Okay. And so what is the approximate growth percentage that we expect to happen for this particular segment?

Management: Yes. In the Animal Health segment, what we have seen, one wonderful thing has happened. Outside sales are growing very well as compared to last year, 20%, 21% growth in the outside sales, which is a very good phenomenon. And second, with our new plant, whatever product we have introduced, which is basically a treatment product line, this is catching up very well, which is adding to the bottom line as well as the top line.

So we hope to -- with this, another few products are also to be introduced by November, December, and January. I think we will have a constant good year for this financial year.

Moderator: The next question is from the line of Rajas Shah from BTH Capital.

Rajas Shah: Congrats sir, on the turnaround and the poultry business. My first question refers to your FY '26 annual report. If you look at Note 9.3 on Page number 123, there is INR104.6 crores in traded products corresponding to animal health under purchases of stock-in-trade. I just wanted to understand for Animal Health division, what are these purchases of stock-in-trade? And who does Venky's India procure them from and who does it sell these products to?

Management: Yes. There are definitely in animal health product line, we have a different kind of a segment. One segment is there like for feed safety and feed security. Then there is definitely for gut health and nutritional support. And there is definitely one line which we basically work on the anticoccidials and growth promoter for the broilers. For those products, a lot of these inputs are received from global manufacturer, like they are a player from China and partly from Europe. They are basically -- they are our raw material suppliers.

And in those kind of purchases, definitely sometimes the foreign exchange fluctuations definitely a little bit impact us. But we have a constant flow of the raw material. There is absolutely no shortage of the raw material for these components. I hope I have cleared your doubt or you like to ask anything addition on this.

Rajas Shah: So just to confirm that, that INR104.6 crores pertains to raw material. It is not some sort of a product that we are taking in. It is just a raw material input for our AHP segment.

Management: There is one division which is called trading where we buy the raw material in bulk and give to service our customers, internal and external. Yes.

Rajas Shah: Got it. Got it. My second question would be on the new SPF capacity that is being added. I wanted to understand what is the revenue potential and what are the timelines for ramp-up of SPF capacity?

Management: As far as the SPF eggs are concerned, the capacity is to the extent of total capacity is 1,83,00,000 eggs against the corresponding capacity was 1,61,00,000 eggs. But this quarter, the production is almost 33.74 lakhs eggs. For the first 6 months against the corresponding period, it was 50,28,000. So there was a decline in the production of eggs during last year as well as this year. Last year, the utilization capacity was 55%, whereas this year, this 6 months, the capacity utilization is to the extent of 37%.

Rajas Shah: Okay. And sir, what is the reason behind this?

Management: What is the...?

Rajas Shah: Reason behind lower utilization?

Management: The requirement or some biosecurity issues were also there. The requirement related to the buyers was also less. We try to export certain eggs, but that was also not meted out, but the biosecurity issues are also there. I mean the quality related issue is very important for this particular specific line.

Rajas Shah: Understood. Sir, is it fair to assume that the 40,000 incremental hen capacity that was being added will now be postponed a little bit given the utilization figures?

Management: So expansion is going on. See, if we are taking the expansion in today, the effect will come almost it will take more than a year, more than 12 months, it will take to come into the production. So that is going on and it is a requirement also in the market. So that is going on. That is not getting interrupted in any case in any manner.

Moderator: The next question is from the line of Akshay from Alpha Invesco.

Akshay: Just a follow-up on the earlier soya division question. Sir, I wanted to understand what were the utilizations for current quarter and similarly for last quarter and last year's quarter?

Management: Oilseed capacity, as far as the utilization is concerned, for first 6 months, it is to the extent of 53% utilization. It is on the lower side as far as the capacity is concerned, maybe because of the availability of, I mean, seeds and all. But we are catching up those things as per the requirement in the coming period, the requirement is more in the third and fourth quarter in regard to the soya, DOC, and all.

Akshay: So what would be the utilization in Q2 specifically?

Management: Q2?

Management: Utilization.

Management: It is almost 50%.

Akshay: 50%, so somewhat similar to Q1. I wanted to understand how...

Management: Yes.

Akshay: I wanted to understand, you mentioned that the price increases have taken effect in the current month or so. Are you confident to go back to EBIT margins of something like 6% that we did in Q1 or it's going to be subdued compared to that?

Management: See, the effect of the raw material prices of seed as well as prices of soya DOC is how it is behaved in the coming period, that is also very important to note that suddenly, what the trend was there in July. July, the prices of, say, the end product of DOC was INR60,000. It has come down drastically to INR57,000. And in September, it has come down to the level of INR48,000.

I mean the start of the quarter was with the prices of DOC, which is a product with a major production, it was INR60,000 per ton. It has come down to the level of INR48,000 ton. So it depends on the -- I mean, end product realization, which is building up the top line as well as the bottom line. But we are hopeful that the trend is improving as well as the requirement of soya in all round is getting increased, the prices are getting increased. So it is also depending on the availability of the stock, what is available for crushing and all. The crushing was on the lower side in the last quarter. So we are hopeful to catch up those things in the remaining period.

Akshay: Okay. Okay. So is it possible to highlight the volumes of DOC that we have sold and the oil that we have sold in quarter, Q2?

Management: So DOC cake was sold in the last September '26 quarter -- last quarter, it was 50,716, 50,000 tons in the last quarter, whereas in September '25, it was 56,000 tons. In the Oil segment, it

was 11,035 tons in the September '26 quarter, whereas in the September '25, it was 11,514 tons volume it was happening. Yes.

Akshay: Okay. Great. Another question on the Animal Health segment. So in last year second half, we did sales of roughly INR203 crores with INR55 crores of EBIT. In first half of this year, we have done INR212 crores of revenue, but bulk of it, like INR114 crores came in Q1. So I wanted to understand what run rate should we sustain in upcoming second half? Should we see 15%, 20% growth continuing...

Management: Particularly you see like quarter 1, quarter 4 will be like that. The 2 is generally less than quarter 1, but then we see improvement in quarter 3. And quarter 4 generally is very vibrant. So we expect that by year-end, we will go ahead with our plan of INR430 crores, INR435 crores plus as against INR391 crores of the last year minimum. Yes.

Moderator: The next question is from the line of Ankit Kapoor, an Individual Investor.

Ankit Kapoor: Sir, my question is on the interim trade in India, U.S. interim trade framework. They have allowed DDGS, substitute of maize, as an import quota, so which will give relief to the whole poultry industry. So how much Venky's is getting benefited out of it?

Management: Yes. Actually, DDGS is a substitute for soya. So definitely, it is a high-quality protein, which can substitute existing or traditional protein, which is being used by poultry industry. Definitely, it will impact in terms of making more quality protein available, which definitely will be comparable with soya.

But price definitely matters a lot because right now, whatever the price soya is governing, that becomes a benchmark whenever any other alternative protein is being used in poultry. So assume, let's say, that soya today is available to the poultry farmers at INR70 a kg. So high-quality protein is available at INR70 a kg.

And if DDGS has got, let's say, 80% of the protein than soya, then it should match to the price of soya. And if it is matching, definitely, that alternative will make a lot of impact in terms of industry as such and definitely as a company as such.

So we have to see at what price it gets landed into India. That all depends on that. So theoretically, yes, we are hopeful that if DDGS comes, the kind of quality DDGS, which is being, I mean, internationally available and if that is made available to India, it definitely will impact checking the prices of overall commodity protein as an alternative source of protein through DDGS.

Ankit Kapoor: So we will -- so Venky's will be benefited once the trade deal gets finalized, right?

Management: Definitely. Definitely.

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

Keshav Garg: Sir, taking from the previous participant's question on DDGS imports, sir, since we have a captive soya division, wherein we are using the de-oiled cake as poultry feed, sir, so if DDGS is -- since it is cheaper than soya DOC, so I mean, should not we be hit due to this?

Management: Yes, that's a good question. But basically, when we talk of poultry ration, 100% soya cannot be replaced with DDGS. That is a limitation to DDGS. So DDGS can replace a part of soya and cannot replace 100% of soya. So for example, if broiler ration requires 30% to 35% of the soya DOC, 100% of 30% cannot be replaced with DDGS. Only a part can be replaced. So at the most, we can use 10% of DDGS as against 30% of soya. So 20% of soya requirement still will be there. So it will bring down the pressure on soya.

So right now, we are finding a difficulty in overall crop pattern, availability of rains, yield, all that put together, overall availability of soya versus the overall requirement of soya because the industry is growing at the pace of, let's say, 5% to 6%. Soya crop is not growing at the pace of 5% to 6%. At the same time, the overall yield because of uneven rain also is the question.

So definitely, DDGS availability will reduce a pressure on soya and it will have a check and balances in terms of overall protein prices. So it cannot replace 100% of soya and need not have to worry what will happen to the existing soya people who already are having their plant with aiming that they will crush the soya and the DOC will be made available to the poultry industry. So they should not be worried, but definitely, it will be a support to the soya industry, not a threat to the industry.

Keshav Garg: Sir, our oilseed division, we are selling the refined edible soya oil in the market. And are we consuming the 100% of DOC captively or we are selling DOC also outside?

Management: It is a combination of both. It is a combination of both.

Keshav Garg: Understood. Sir, so basically, does -- if additional DDGS imports are permitted because DDGS is anyway being -- is being produced in India in the process of ethanol manufacturing from maize. So if over and above the locally available DDGS, if additional DDGS is imported, then will it basically hit the DOC prices, de-oiled cake?

Management: De-oiled cake prices?

Keshav Garg: Yes.

Management: It will keep on DOC prices. It will not hit the DOC prices because if you see actually oil, whatever the soya getting crushed on account of requirement of oil vis-a-vis requirement of DOC. As such for poultry industry, DOC is the main product. So definitely, our requirement of DOC is very high in terms of poultry industry, which cannot be supplied 100%. So alternative sources are being always explored by poultry industry.

Unfortunately, the kind of DDGS, what we are being provided through domestic sources are not at par with the kind of DDGS, which is internationally or globally available. So if that DDGS is made available to us, definitely, it can be practically being used in poultry ration.

That will reduce the part of load in terms of soya. So the cost of production will be kept at check if that DDGS is available to the poultry industry of India.

Keshav Garg: Understood, sir. Sir, also now if we look at our Poultry segment, the last good year that we had was FY '21, wherein we had like serious double-digit margin. And after that, if we see, it is all low single-digit margin. I am only talking about the poultry division specifically. So sir, normally, we used to see a 3-year cycle. But here now, we have seen 5 down years.

So now sir, is there any issue in the parent bird placement side? Like I understand earlier, Vencobb used to be the market leader by far, and there was some marginal, I believe, pure line this thing from some other Shagun someone. Sir so is it that, that dynamic has fundamentally changed and some new basically parent bird placements are happening from some new parties which earlier were not there, which has led to this demand-supply imbalance?

Management: No. Let me answer this question because '21, '22 is an exceptional year post-COVID. So that year was absolutely an exceptional, though the profit was extraordinary, but that accounts for the losses of earlier '19/'20 and 2021. So that year cannot be considered as a year to be considered as a benchmark.

But over a period of time, what has happened, the agriculture segment itself has been shrinking and additional support is being given by the supportive industries like livestock industry. So there is an overall growth as such in terms of poultry. It has nothing to do with the kind of -- I mean, the breed and other things what you have mentioned because that is intact. That component is completely impact and there is no change as such.

But the overall industry is growing. Ingredient prices are changing. The cost of production is going up, but the kind of realization what has been provided in the year '21, '22 may not be constant or may not be correlating to the cost of production over a period of subsequent years. So definitely, the cost of production and realization percentage is not that lucrative what it used to be in '21, '22 for next subsequent years.

Keshav Garg: Sir, now at what level of broiler meat prices will demand destruction start taking place because people can always shift to other vegetables and other alternatives? So is that a threat?

Management: If you see overall non-veg percentage of India is close to 75%, 70% to 75%. Unfortunately, there is no other non-veg segment which is organized and which is giving the kind of cost benefit as an alternative to chicken. So though the chicken prices when we are comparing with earlier chicken prices, it shows that there is a growth or there is an incremental growth in terms of realization.

But if you compare other commodity competitive prices of chicken, those are not available at a cheaper price. Had it been that way, definitely, the demand destruction would take place or shifting will take place. That is not the case in case of overall non-veg -- availability of non-veg pie graph.

So if you see a pie graph of non-veg, there is always increase of chicken percentage in the pie graph of what India is eating. So the availability is very limited in India because you know that

because of religious things, pork has got a very limited scope. Fish is out of reach from common man's pocket, so also is a mutton. So what remains is chicken and only chicken. So in terms of non-veg acceptance, there is no other solid alternative to chicken as a non-veg segment. That is reality.

In terms of veg, we can say that, but that segment itself is different to compare because we cannot compare because when matter comes of choosing veg versus non-veg, the hardcore non-vegetarian will not shift his food habit only because of the prices from non-veg to veg. So that is a scenario in terms of non-veg versus veg.

Keshav Garg: Understood. Now sir, in the investor presentation, we have mentioned that majority of the hatchery and farms and feed mill are located in company's own land and only few are rented. Sir, so any ballpark number you could give us that like what is the cumulative land holding that the company has? I mean, is it in hundreds of acres or thousands of acres?

Management: As per our -- we can say a ballpark figure of around 1,000 acres.

Keshav Garg: Understood, sir. Sir -- okay, 1,000 acres, so are we like occupying all the land? Is there -- can we set some solar power plants and generate merchant power revenue from or any such warehousing, et cetera? I mean -- or is it already being used 100%.

Management: See, as far as the land available at the campus, it is mainly for our breeding operation, and we do not keep any of the other business around the same. But on the rooftop side, we have almost taken the solar at almost all the units for the -- I mean, cost effectiveness and all. We are trying to utilize the solar cost for our power and fuel.

But as far as an individual source is concerned, solar and all those things, that is not in our mind because while we are keep -- doing the poultry or breeding operation, we do not allow anyone to enter into the campus because of biosecurity reasons. So when we will have this sector segment as such, not many people will come and go, which is not favorable for our business due to biosecurity reasons.

Keshav Garg: Understood. Sir, now sir, any plans for open market share buyback, which SEBI has recently permitted and sir, government has recently removed the taxation on share buyback, which earlier used to be there approximately a 25% of the buyback outlay had to be paid as tax, which is no longer the case.

Sir so since the policy is so conducive and on the other hand, we have a very cash-rich balance sheet and the stock price is also available at the price it was available 10 years back. So taking all things together, even a INR100 crores, INR200 crores share buyback will go a long way in generating shareholder value because the stock is almost at book value now. So any thoughts on that?

Management: Your suggestion is noted. The Board will consider the same.

Keshav Garg: Sir, another suggestion is the demerger of Animal Healthcare division. So these 2 steps taken together can really change the fortune of the shareholders. Sir so if you could just convey this feedback to the Board on behalf of shareholders, sir, that would be really great.

Management: Sure, sir. We will do that.

Moderator: The next question is from the line of Sagar, an Individual Investor.

Sagar: Sir, I want to know, is there any expansion capex you are doing this year or next year?

Management: Yes. In the year '26, '27, not in '26, '27, the land acquisition is going on. And in '27, '28, the expected expenditure on one of our segment, that is Layer segment to the extent of INR60 crores is on the way. The project in principle is approved, but the land acquisition is going on in Uttar Pradesh, which will take some more time because of the land state laws and all. But the capex is there in the mind, which will happen in '27, '28.

Moderator: The next question is from the line of Anand Gupta, an individual investor.

Anand Gupta: Sir, can you please provide the average realizations in the poultry segment for the current quarter so far?

Management: For the current quarter, the broiler chick price is INR41.18. For the corresponding quarter is INR21.42 for the broiler chicks. For the layer chicks, it is INR47.89 for this quarter, whereas the last quarter, it was -- last September quarter, it was INR45. For the broiler bird, this quarter is INR100 -- sorry...

Anand Gupta: Sorry, I am not asking for Q2. I am asking for the current ongoing quarter so far for these 45 days so far.

Management: Ranging almost INR35 to INR40, ranging between that, even the prices. Okay. Trend -- broiler chicks price trend is going on the same, but the broiler bird prices are a little up and down depending on the requirement and all. But the days to come, the prices are good to happen. And the trend is already showing from the last 10 days, the moment after Deepavali and after Chhath Puja and all, the trend itself is showing that it is on the uptrend side throughout.

Anand Gupta: Okay. So sir, just to reconfirm, for the last 10 days after Deepavali, the average realizations in the broiler bird category are more than the cost of production. Can I say that is the right statement?

Management: No, it is not yet, but it is hopefully to touch even more than that. See, the prices have gone down to the level of INR60, INR62 in the off-season period starting from Diwali days and all, Navratri and all. But it has gone up in 1, 2 days itself is INR20 was there. So average price is ranging even today is almost INR90, which is likely to happen. Every day, it is INR10, INR10 and all. So we are hopeful that after Chhath Puja and all, when the real effect will come, prices will be above the cost of production. But presently, it is not.

Moderator: The next question is from the line of Punit Singh from Counter Cyclical PMS.

Punit Singh: I want to know what are the constraints that we are running at low utilization in the oilseed division? And what kind of operational efficiency can we get by ramping up?

Management: Sorry, we were unable to hear you properly, Mr. Punit.

Punit Singh: So I want to understand for the oilseed division, what are the main constraints which are keeping us at utilization about 50%, 60%? And what are our plans to ramp up in this division? And what kind of operational efficiency, if any, can we expect by ramping up?

Management: See quarter-to-quarter, the consumption of the feed as such is different. In April, May, June, the consumption of feed due to the birds, layer and as well as broiler was quite on the higher side, whereas in the July, August, September, as the summer season starts, the consumption goes down. Like, for example, if we are making the bird at 2.2 kg and it has come down to the 1.8 birds per kg. So automatically, the consumption of feed goes down. If the consumption goes down, automatically, all ingredients, including soya will go down.

So the consumption or as well as the selling of soya as a DOC has come down during this last quarter, July, September in comparison to the earlier April, May, June. But hopefully, now onwards, October, November, December, and onwards month, there is a good consumption in terms of birds and all. And even the replacement also goes up and up then compared to the summer section. So soya will also be up. And hopefully, it will be better than the earlier period.

Punit Singh: Got it, sir. And in terms of this oilseed division, I want to understand on a consolidated level, what has been the utilization in H1? And what can we expect for the full year? And I mean, what is the maximum annual utilization for this given that there is seasonality involved.

Management: So for the first 6 months, the average utilization of the plant was to the extent of 53%. And there are 3 plants. 1 of the plant was on the lower side, other 2 plants was matching. So even by company also when we were meeting the requirements from the 2 plants, 1 plant was not utilized to the for the -- I mean, better overhead optimization. But in the days to come, since the capacity utilization will be more to the extent of more than 60% instead of 53% in the first 6 months, it will be 60%, 65% minimum. It will be higher than the earlier 6 months in the remaining period, hopefully.

Punit Singh: And sir, what is the maximum utilization, annual utilization for this? And I mean, how do we plan to ramp it up? What are the constraints, if you can help us understand?

Management: So it is all based on the requirement on the outside market as well as the in-house. In-house, we are trying -- if the bird replacement was -- see in totality figure, if you see if the bird placement is of 3 crores birds in a month, if it has come down to the level of 2.2 crore, automatically, the consumption will go down as well as the soya DOC requirement will also come.

So we are jacking up the replacement in the days to come when the prices would be better. So automatically, the soya consumption and soya seed crushing will also increase and ultimately, soya DOC will also go up. And likewise, the Oil segment also will go up as the demand would

be there. So we are hopeful for the recovery in this segment in the days to come, in the days to period.

Punit Singh: Got it. So the main constraints are basically on the demand side, right?

Management: Yes, absolutely.

Punit Singh: Okay. And what is the maximum, I mean, revenue potential from this division? And the Animal Health division as well?

Management: Animal Health division as compared to last year is INR390 crores. We are looking forward close to INR450 crores for this financial year closing between INR435 crores to INR450 crores. And in the coming year, it will grow up because over the new unit, which we installed last year, it is now yielding all the results. A lot of new products are being introduced. I think we are going ahead with the same speed of top-line growth of minimum 15% plus. Thank you.

Punit Singh: Got it. And what is the current utilization of this animal health and the maximum revenue potential?

Management: Yes, yes. Actually, what happened, we have 2 production units for animal health. One is the old unit, which is in Osade, which is running at capacity of around 70%. And there is a new unit, which is called in Kesurdi, where all the treatment and therapeutic products are being used. It is at a level of 35% to 40% of level of utilization presently. And definitely, we have a lot of new things being introduced. This will further strengthen us. Thank you.

Punit Singh: Wish you all the best.

Management: Thank you.

Moderator: Ladies and gentlemen, that was the last question for today. I now hand over the conference to management for their closing comments.

Management: Thank you all for participating in this call. In case of any queries have remained unanswered, please feel free to send us an email, and we will respond accordingly. Thank you.

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