

kaveri seed company limited



05th February 2020

Bombay Stock Exchange Ltd.,
1st Floor New Trading Ring
Rotimda Building
P.J.Towers, Dalal Street, Fort,
MUMBAI - 400 001

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra (E)
MUMBAI - 400 0051

Scrip Code: 532899

Scrip Code: KSCL

Dear Sir,

*Sub: Presentation: Kaveri Seed Q3 & FY 2019-20 Results Announced
on 05th February, 2020-Reg*

Please find attached herewith Presentation of Kaveri Seed Company Limited Q3 & FY 2019-20 Results announced on 05th February, 2020. The same was displayed at our Company's website at www.kaveriseeds.in

This is for your kind information and record.

Thanking you,

Yours faithfully,

For KAVERI SEED COMPANY LIMITED

C.MITHUN CHAND
WHOLE TIME DIRECTOR

Encls: a/a.



Kaveri Seed Company Limited

Results Presentation - Q3 & 9MFY20



Safe Harbour



Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Kaveri Seed Company Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.





INDUSTRY BACKDROP & OUTLOOK

- Till date Cotton area Increased due to extended sowing season by about 6.89% over last year
- All crops sowing has been up while Sunflower has been down in Q3
- Rabi Maize, Bajra and Rice has shown a good growth over last year
- Cotton yields have impacted quality due to untimely rains

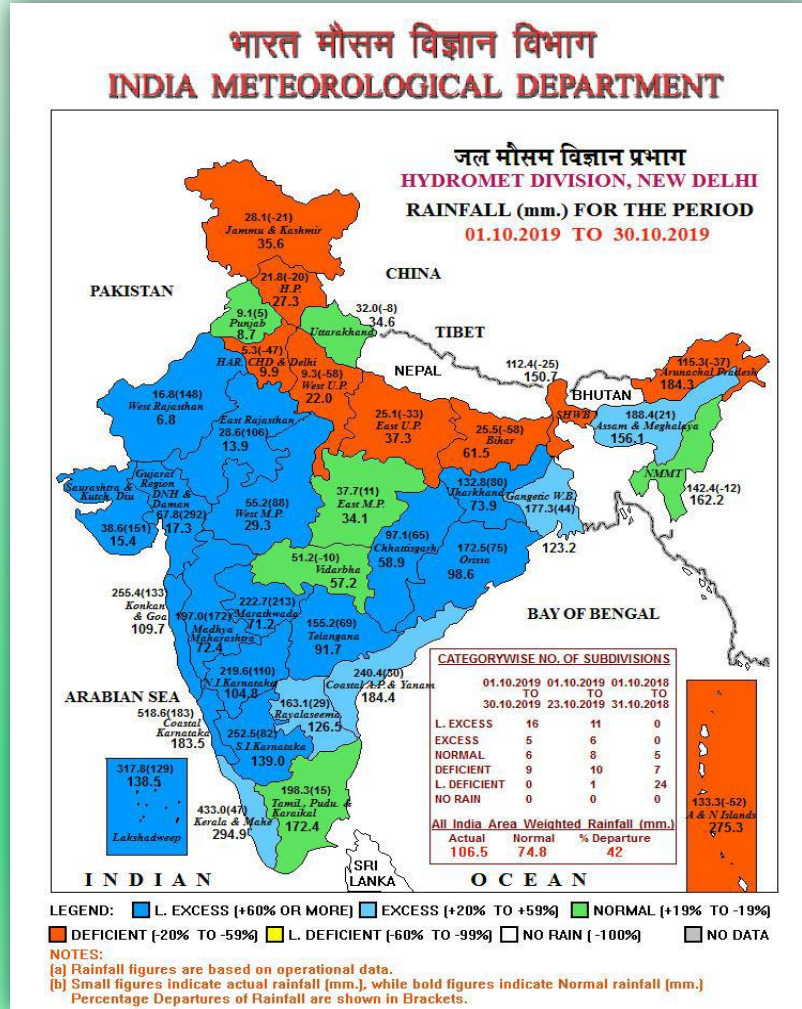
- Crop-wise area coverage during Rabi 2019-20: As on January 31, 2020

Area in lakh hectare

CROP	2019-20	2018-19	YoY Abs Change
Cotton	127.67	120.78	6.89
Maize	16.98	14.78	2.20
Rice	28.80	25.31	3.49
Bajra	0.20	0.13	0.07
Jowar	30.22	25.03	5.19
Sunflower	1.04	1.13	-0.09

Source: agricoop.nic.in

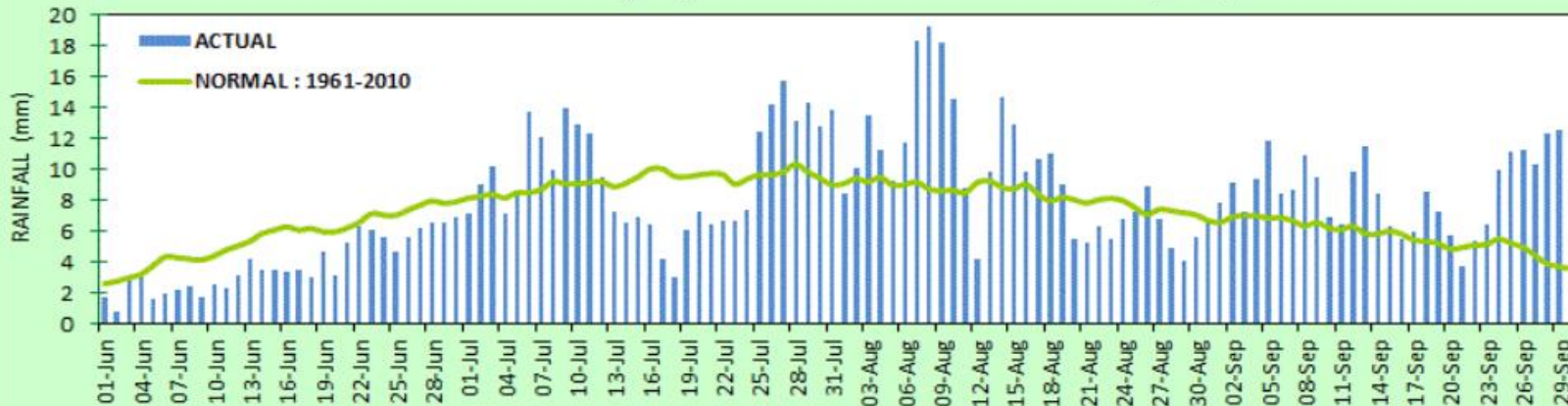
Industry Backdrop - All India Rainfall



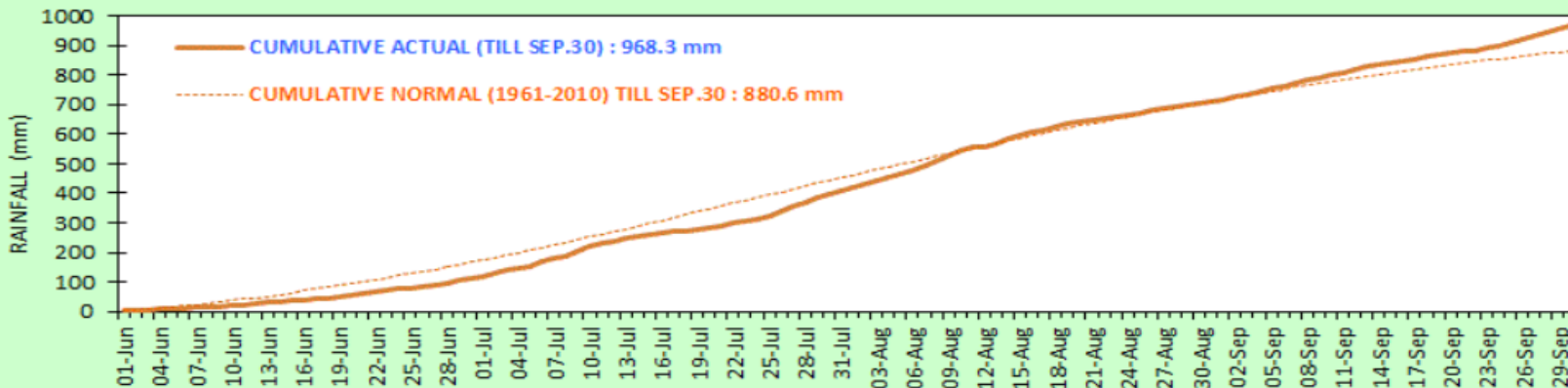
Industry Backdrop - All India Rainfall



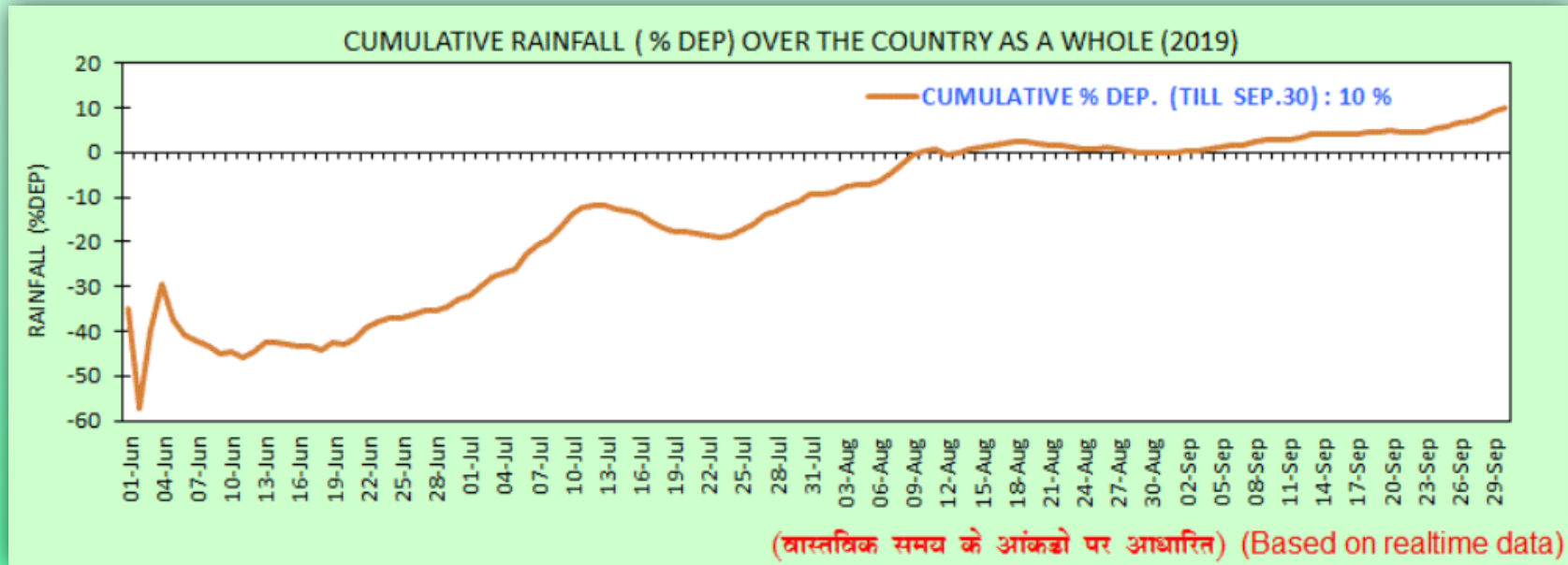
DAILY MEAN RAINFALL (mm) OVER THE COUNTRY AS A WHOLE (2019)



CUMULATIVE RAINFALL (mm) OVER THE COUNTRY AS A WHOLE (2019)



Industry Backdrop - All India Rainfall



Industry Backdrop - Cotton



Area coverage during Kharif 2019
as on 27 Sep, 2019

Area in lakh hectare

State	2019-20	2018-19	YoY Abs Change
Andhra Pradesh	6.33	5.69	0.64
Telangana	18.60	17.69	0.90
Gujarat	26.67	27.12	-0.45
Haryana	7.01	6.65	0.36
Karnataka	5.93	4.35	1.58
Madhya Pradesh	6.09	6.97	-0.88
Maharashtra	44.05	42.54	1.51
Odisha	1.70	1.58	0.12
Punjab	4.02	2.84	1.18
Rajasthan	6.45	4.96	1.48
Tamilnadu	0.57	0.22	0.35
Others	0.27	0.17	0.10
All India	127.67	120.78	6.89

- Acreage has reduced in Gujarat & MP
- Sowing happened earlier in Gujarat, Madhya Pradesh and Maharashtra this year compared to last year
- Overall cotton market in India has been stable - seen a growth of 5% to 6%

Source: Directorate of Cotton Development, Nagpur

Industry Backdrop - Maize



Area coverage during Rabi 2019-20
as on 31 January, 2020

Area in lakh hectare

State	2019-20	2018-19	YoY Abs Change
Karnataka	0.87	0.81	0.06
Maharashtra	2.28	1.16	1.12
Uttar Pradesh	0.17	0.16	0.00
Telangana	1.49	1.02	0.47
Gujarath	1.33	0.97	0.36
Chhattishgarh	0.77	0.66	0.11
Orissa	0.17	0.13	0.05
Bihar	5.05	4.75	0.30
Jharkhand	0.08	0.06	0.02
West Bengal	1.12	1.13	-0.01
Andhra Pradesh	1.67	1.46	0.21
Arunachal Pradesh	0.10	0.10	0.00
Assam	0.34	0.32	0.02
Tamilnadu	1.48	2.00	-0.51
Others	0.07	0.07	0.00
Total	16.98	14.78	2.20

- Rabi maize area has gone up in some state like AP, TS, BH, MH and KA Due to good rains and better commodity prices

Industry Backdrop - Commodity Prices Cotton



State	Prices Febraury, 2020	Prices Febraury, 2019	% Change(Over Previous Year)	Prices January, 2020	% Change(Over Previous Month)
Gujarat	4980.85	5264.94	-5.40	5114.41	-2.61
Karnataka	4945.48	5132.92	-3.65	5160.79	-4.17
Madhya Pradesh	5058.30	5368.18	-5.77	5555.80	-8.95
Maharashtra	5149.23	5117.82	0.61	5253.89	-1.99
Rajasthan	5209.74	5448.09	-4.37	5328.24	-2.22
Tamil Nadu	4931.13	5082.82	-2.98	4649.07	6.07
Average	5045.79	5260.62		5234.21	

Source: AGMARKNET

Industry Backdrop - Commodity Prices Maize



State	Prices Febraury, 2020	Prices Febraury, 2019	% Change(Over Previous Year)	Prices January, 2020	% Change(Over Previous Month)
Gujarat	1989.91	2015.34	-1.26	2073.89	-4.05
Karnataka	1776.72	1903.56	-6.66	1850.01	-3.96
Maharashtra	1639.32	1950.69	-15.96	1804.87	-9.17
Odisha	1817.06	1602.42	13.39	1837.72	-1.12
Rajasthan	1853.57	1830.56	1.26	1914.97	-3.21
Uttar Pradesh	1914.16	1807.07	5.93	1936.01	-1.13
Average	1831.79	1873.06		1913.38	

Source: AGMARKNET

9MFY20 Business Highlights



- Strong operational performance. Operating EBITDA margins (excluding other income) stood at 6.82% in Q3FY20 versus 0.18% in Q3FY19
- Cotton Sales have now come to a halt in Q3 as sowing has stopped
 - This is due to the extended monsoons coming to a halt
- Maize acreages have now picked up considering that rainfalls have come to a halt after good rains in Sep & Oct
 - Maize prices also seem to be doing well
- Despite the Hybrid rice industry growth being under 8 - 10%; overall Kaveri hybrid rice is up by 60%
- Cob drying facility helped enhance quality of seed and ensure timely deliveries
- Proper planning and placement helped to increase sale
- New warehouse inaugurated for foundation seed at Gowraram plant
- We have installed latest equipment magnetic separator to grading of cotton seed to enhanced the quality of Cotton Seed
- NABL accreditation process initiated for our quality control lab expected to complete the process within the 02 to 03 Months

9MFY20 Crop wise detail

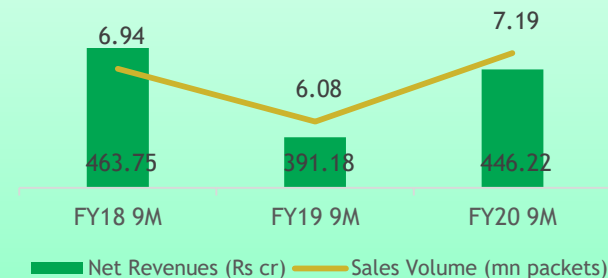


Cotton:

Volumes increased by about 18% in 9MFY20

- Contribution of new products went up from 14% to 22% of volume
- Money Maker Scale up across market this year. 2 new Cotton hybrids under demonstrations with farmers. Performance of Money Maker appreciated by farmers across markets.

Cotton seed revenue & volumes



Maize:

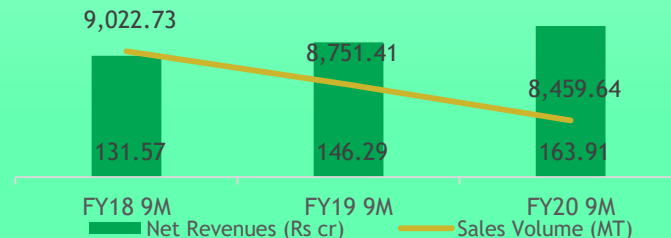
Maize volume is down by 3% and increase in revenue by 12% Makeup in revenue is due to Product mix and price gain

Non cotton:

Business grown significantly by about 16%

- Driven by volume growth in new hybrids and also price appreciation in key products

Maize seed revenue & volumes



9MFY20 Crop wise detail



Hybrid Rice

Volumes increased by 57 % in 9MFY20

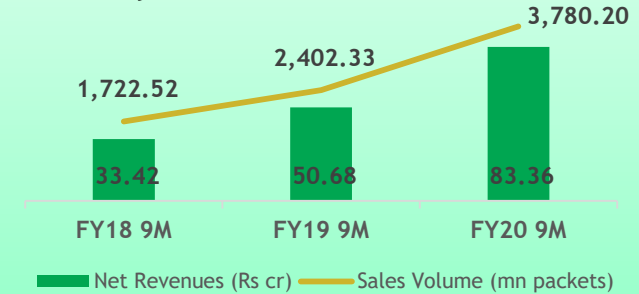
- Contribution of new products went up from 26.58% to 50.09% of volume
- New hybrid Paddy KPH 468 helped translate to strong growth

Selection Rice:

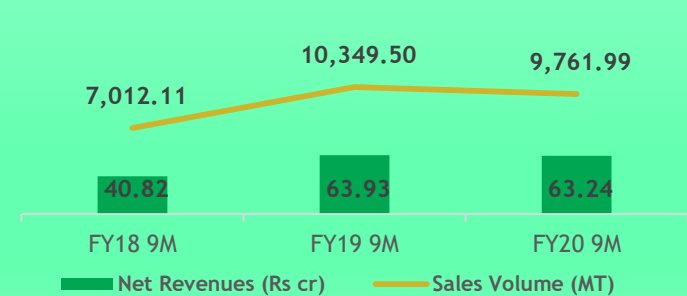
Volumes decreased by 6% in 9MFY20

- In selection rice, consistent performance across geographies. New products scale up done with growth in Coastal King, Prize & Shireen across markets

Hy Rice Seed revenue & volumes



Sel Rice seed revenue & volumes



Field Crop

- Commodity prices are to remain higher now with a more than expected monsoon, keeping the farmers sentiment happy
- Maize and Rice area for Rabi season has already begun to go up with increase and expected to continue growth in Q4 , given good ground water table as well as stable commodity prices

Vegetables

- Performance of new OKRA hybrid KOKH 1107 outstanding across the India market
- Introduction of CLCV Virus resistance hybrid KHPH 1213,1217 & 1204 in Major Hot pepper market
- Outlook for hybrid tomatoes positive
- CLCV virus resistant Hot pepper hybrids identified and selected for coming year
- 32 New Hybrids introduced for different markets and segments, performance and outlook very positive
- Bitter gourd 88 and 67 crossed 1000 Kgs mark.



Q3 & 9MFY20 PERFORMANCE

Q3 & 9M FY20 Performance Review



	Standalone						Consolidated					
Rs. lakhs	Q3FY20	Q3FY19	Growth (%)	9MFY20	9MFY19	Growth (%)	Q3FY20	Q3FY19	Growth (%)	9MFY20	9MFY19	Growth (%)
Net Sales	9,844.44	6,718.30	46.53	83,133.92	72,426.72	14.78	12,198.84	8,476.99	43.91	86,722.61	75,606.11	14.70
Cost of Production	5,164.01	3,914.53	31.92	43,777.96	38,739.95	13.00	6,436.85	5,015.43	28.34	44,382.87	39,628.78	12.00
Gross Profit	4,680.43	2,803.77	66.93	39,355.96	33,686.77	16.83	5,761.99	3,461.56	66.46	42,339.74	35,977.33	17.68
Gross Margin (%)	47.54	41.73	13.92	47.34	46.51	1.78	47.23	40.83	15.67	48.82	47.59	2.60
Employee cost	1,951.98	1,160.92	68.14	4,341.29	3,335.79	30.14	2,216.74	1,406.76	57.58	5,100.77	4,014.90	27.05
Other Expenses	2,057.16	1,631.00	26.13	9,886.80	9,201.24	7.45	2,500.23	2,055.19	21.65	10,651.53	10,201.27	4.41
Other income	772.30	1,059.93	(27.14)	1,504.71	4,049.49	(62.84)	766.55	1,026.94	(25.36)	1,461.12	3,981.66	(63.30)
EBITDA	1,443.59	1,071.78	34.69	26,632.58	25,199.23	5.69	1,811.57	1,026.55	76.47	28,048.56	25,742.82	8.96
EBITDA Margin (%)	14.66	15.95	(8.08)	32.04	34.79	(7.92)	14.85	12.11	22.63	32.34	34.05	(5.01)
Depreciation	618.31	526.05	17.54	1,789.24	1,530.87	16.88	650.88	561.11	16.00	1,894.35	1,643.41	15.27
Finance Cost	5.21	5.25	(0.66)	10.30	9.19	12.14	12.24	13.01	(5.92)	30.17	39.95	(24.48)
PBT	820.08	540.48	51.73	24,833.05	23,659.17	4.96	1,148.45	452.42	153.85	26,124.04	24,059.45	8.58
PAT	604.81	364.88	65.75	24,191.42	22,616.83	6.96	852.86	290.80	193.28	25,229.37	22,853.28	10.40
PAT Margin (%)	6.14	5.43	13.12	29.10	31.23	(6.81)	6.99	3.43	103.80	29.09	30.23	(3.75)

Cash investments as on 31st December 2019

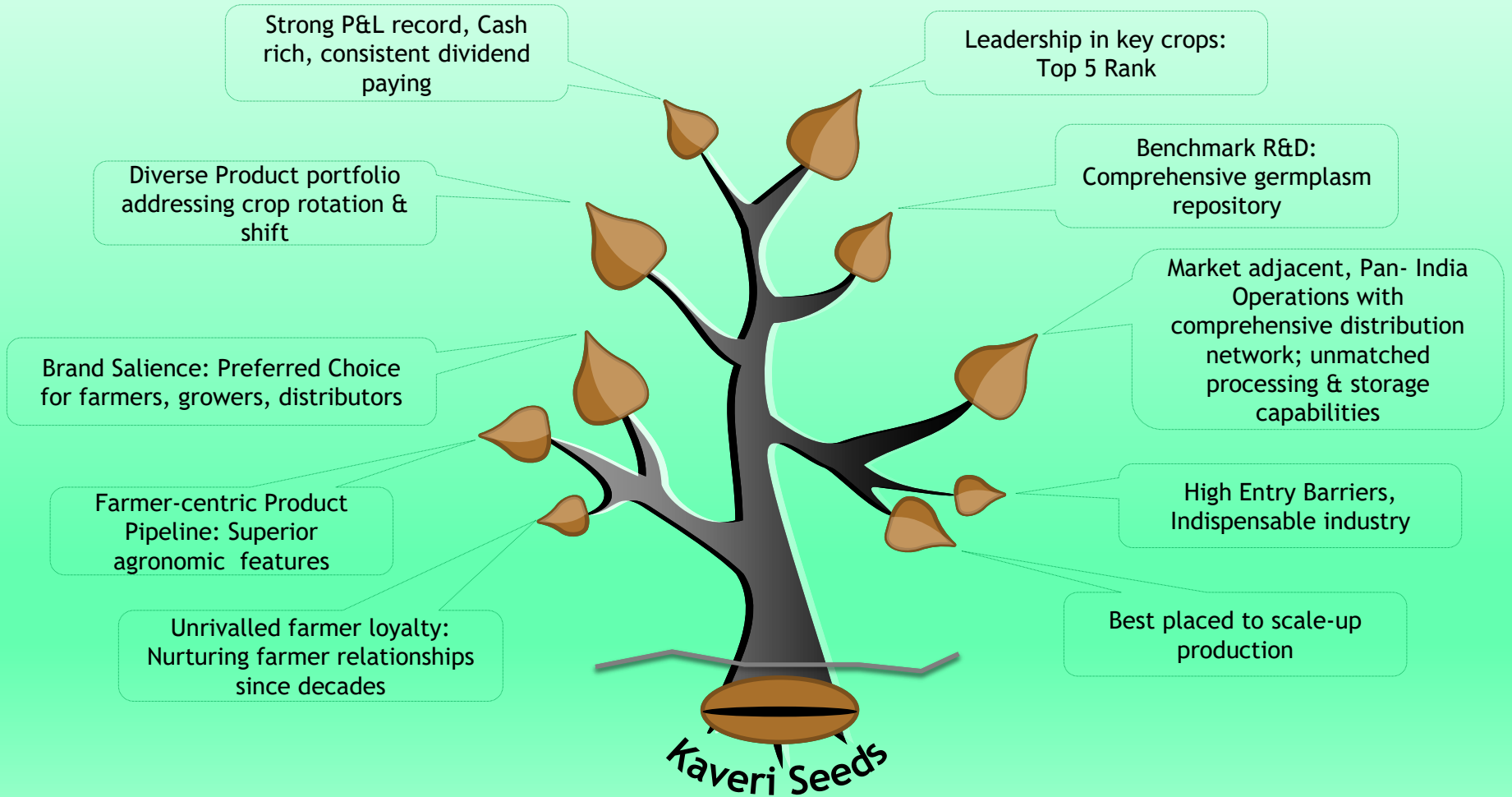
Rs.in Lakhs

All figures based on cost

Fund House	Liquid	Liquid Plus	FMP	Shortterm	Medium	Total
ASK					2,293	2,293
BIRLA			2,100	246	1,220	3,566
FARANKLIN			500			500
HDFC	1,800		6,355		3,800	11,955
ICICI			2,991		3,703	6,694
IDFC		59				59
IIFL					2,705	2,705
KOTAK		4,000	500			4,500
RELIANCE			600		5,300	5,900
TATA	1,000					1,000
UTI			648			648
Grand Total	2,800	4,059	13,694	246	19,021	39,820

Total cash on books of Rs. 413 crore as on 31 December, 2019

The Kaveri Moat: Seeding Profitable Growth



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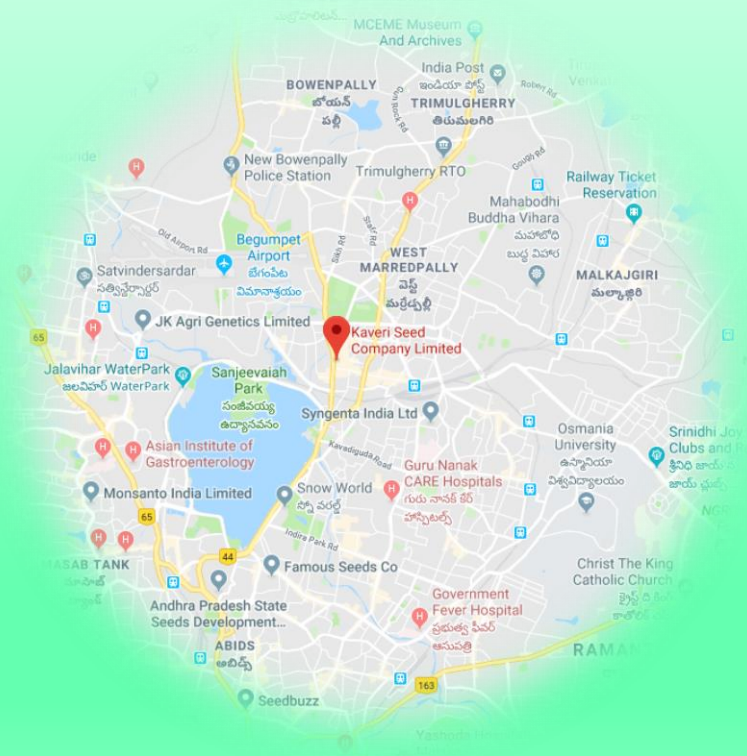
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THANK YOU