

kaveri seed company limited



09<sup>th</sup> February 2021

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

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

Scrip Code: 532899

Scrip Code: KSCL

Dear Sir/ Madam,

*Sub: Presentation: Kaveri Seed Q3 & FY 2020-21 Results Announced  
on 09<sup>th</sup> February, 2021-Reg*

Please find attached herewith Presentation of Kaveri Seed Company Limited Q3 & FY 2020-21 Results announced on 09<sup>th</sup> February, 2021. The same was displayed at our Company's website at [www.kaveriseeds.in](http://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 & 9MFY21



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# 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.

## 9MFY21 Business Highlights

Strong operational performance. Operating EBITDA margins (excluding other income) stood at 32.29% in 9MFY21 versus 30.66% in 9MFY20

Cotton acreages have increased 1.8% on YOY basis. Prices have increased due to low production globally and increased demand in anticipation of post Covid recovery.. This has pushed the prices above MSP

Maize acreages has been stable on a YOY basis while prices have currently decreased due to low demand and consumption The main increase is in Kharif Maize in Karnataka, Maharashtra & Rajasthan states. Poor commodity prices have impacted Rabi Maize area

Hybrid rice industry growth at 8-10% while overall Kaveri hybrid rice is up by 48% in 9MFY21

➤ Scale up of KPH468 across the market has resulted in volume and market share gain

Exports continue to be strong. Presently exporting to **Pakistan, Sri Lanka, Bangladesh** and **Vietnam**



# Industry Backdrop & Outlook



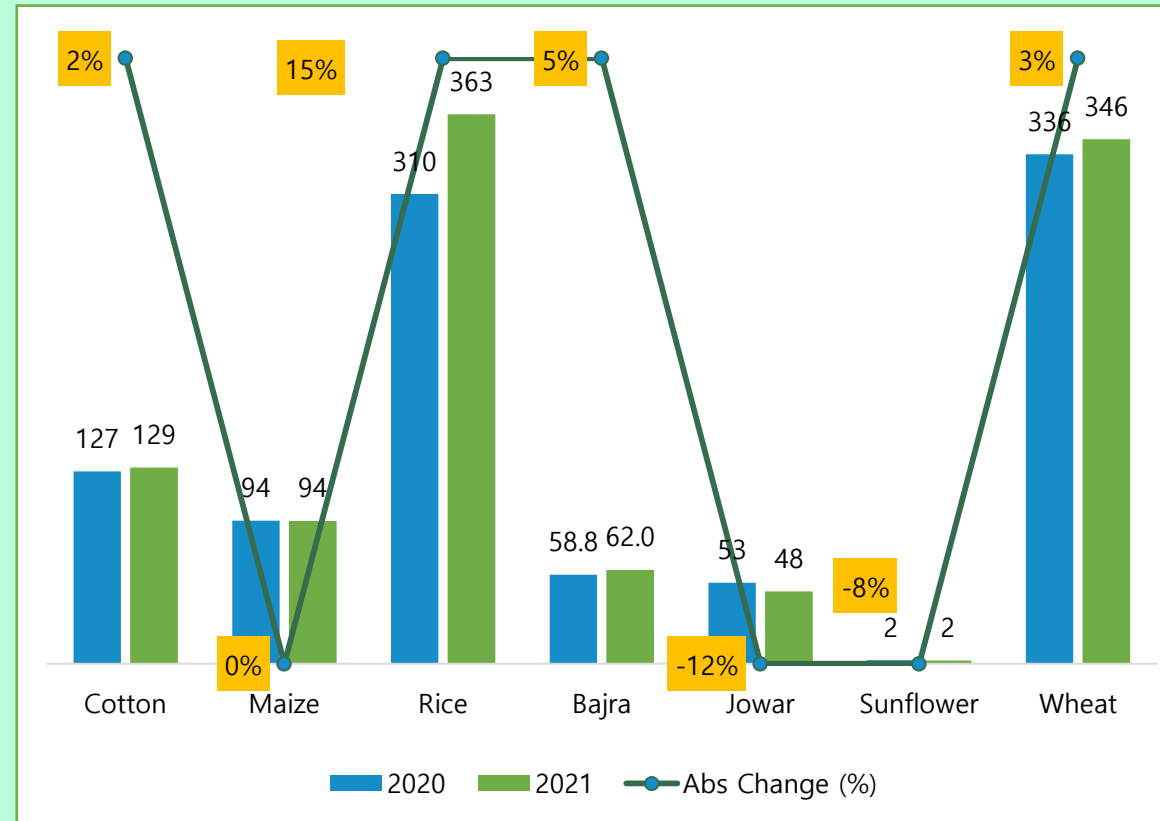
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# Industry Backdrop

- YTD cotton acreages have increased marginally by about 2% compared to the previous year
- Overall Maize acreages have been stable in with some decline in Andhra Pradesh, Telangana, Karnataka & Tamil Nadu & increase in Madhya Pradesh, Maharashtra and Karnataka
- Rice Area is up by about 15% & Bajra by about 5% while Jowar is down by about 12% & Sunflower by about -8%
- In Rabi Maize area has been down by about 10% on the back of poor commodity prices while Wheat & Bengal Gram acreages are up

## Crop-wise area coverage during Rabi 2020-21: As on January 29, 2021

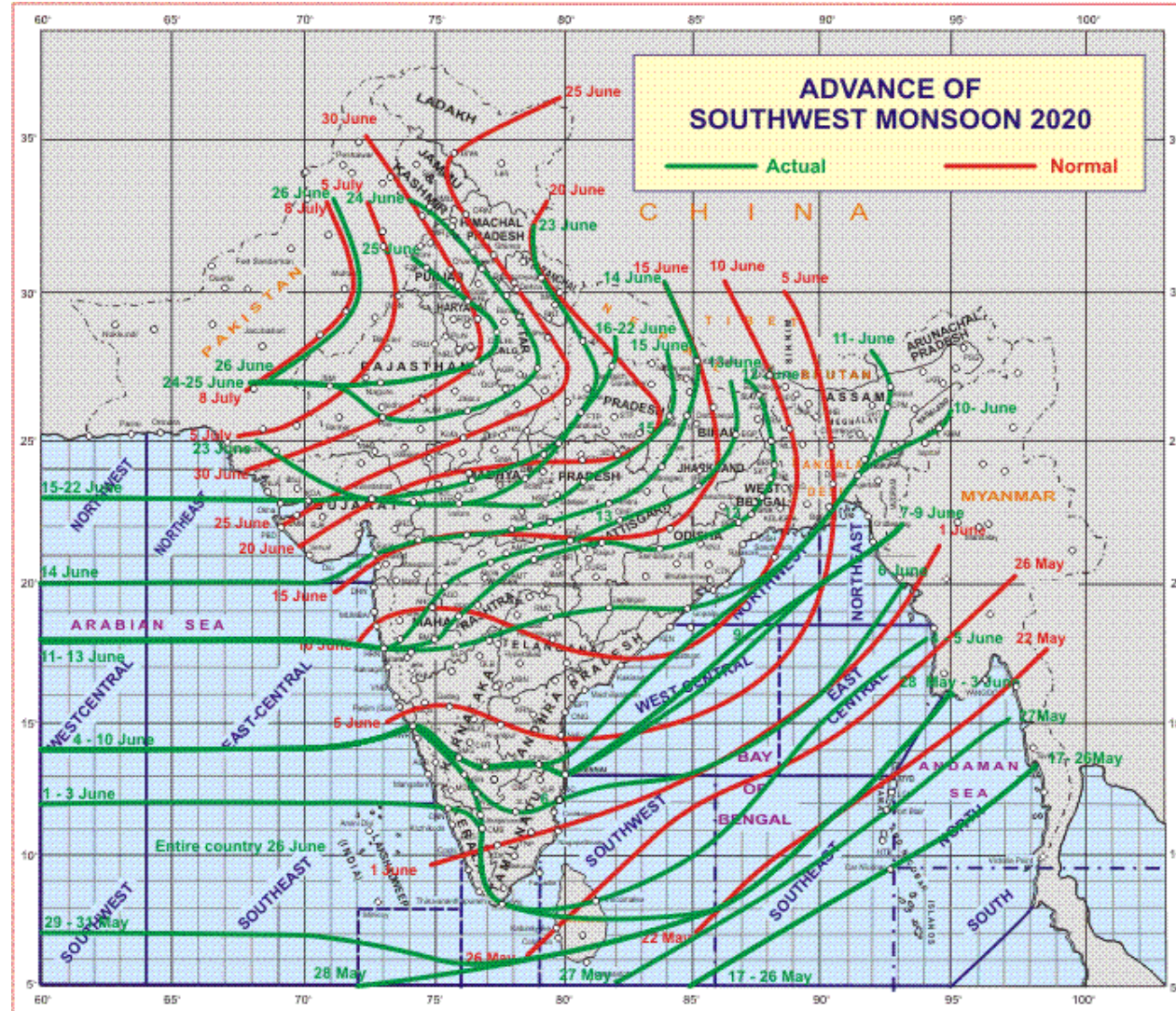
Area in lakh hectare



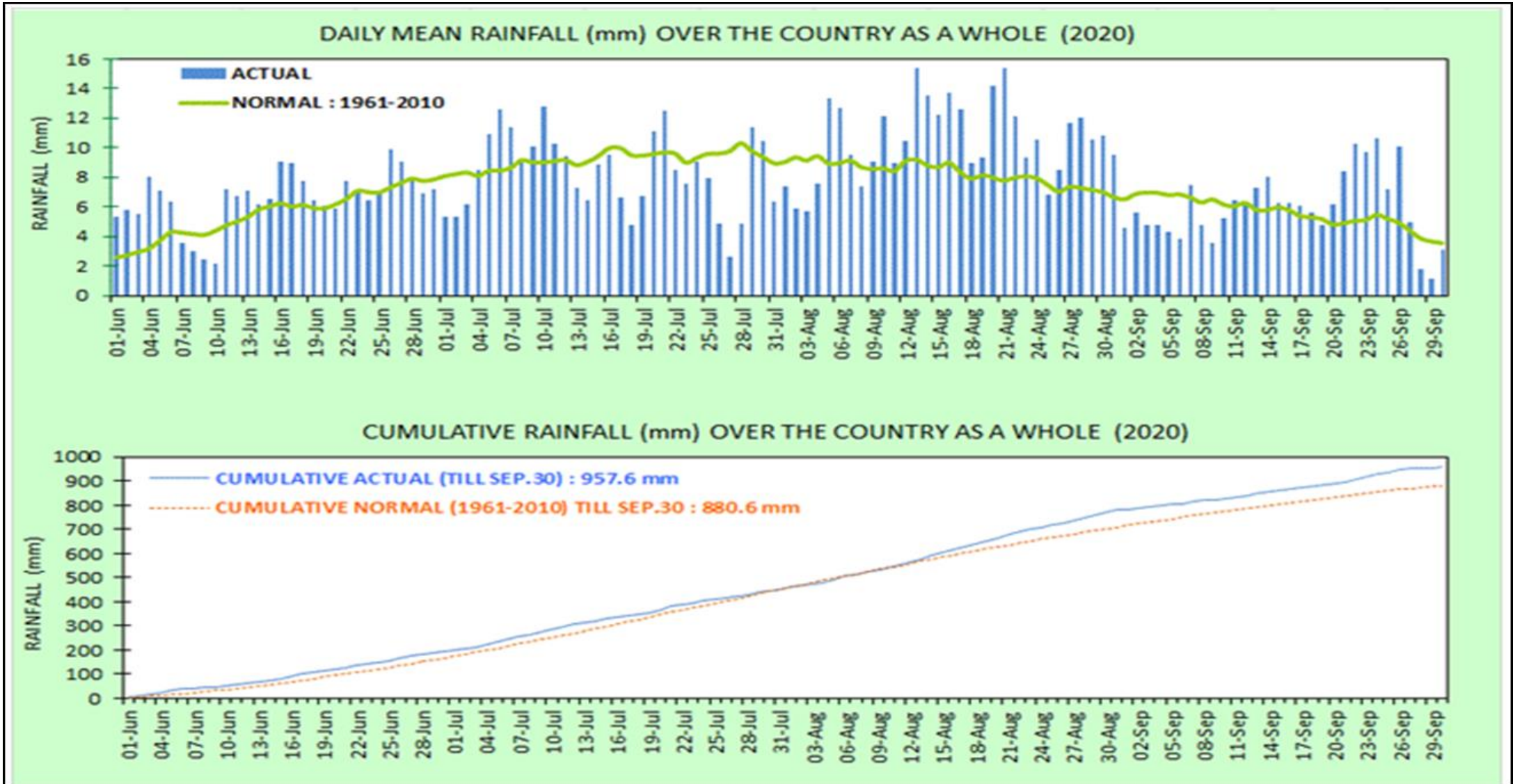
Source: [agricoop.nic.in](http://agricoop.nic.in)



# Industry Backdrop – All India Rainfall

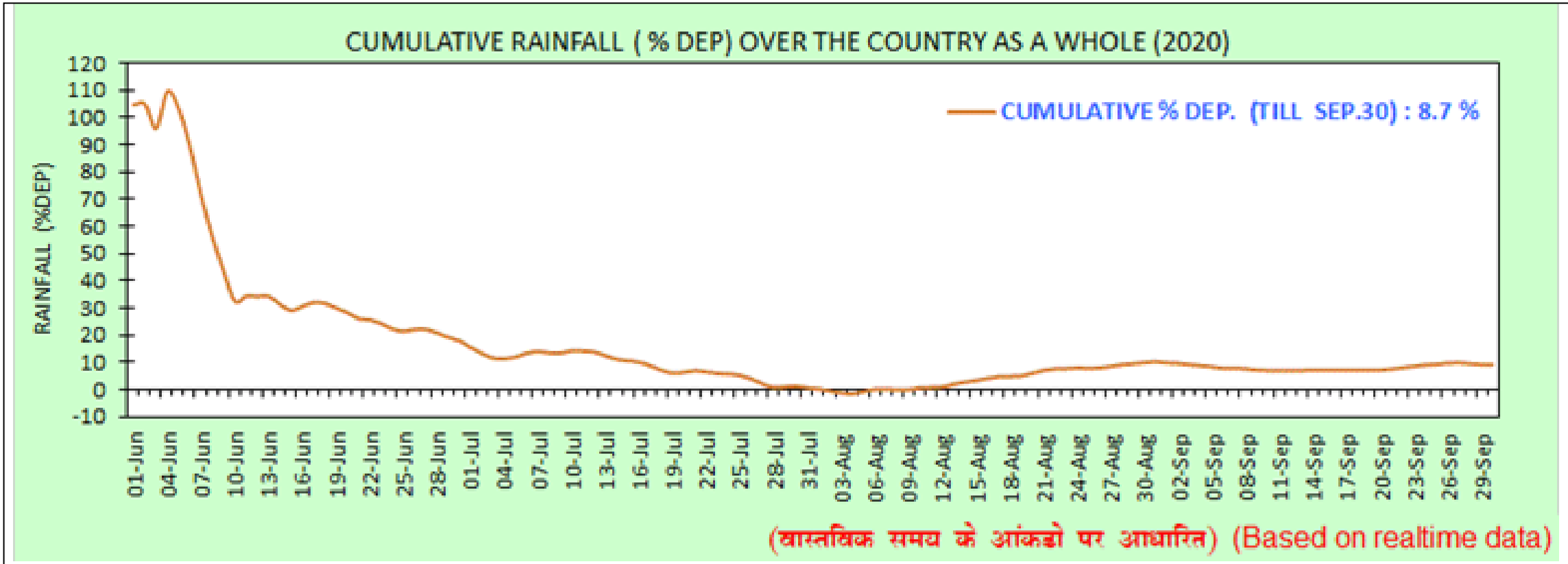


# Industry Backdrop – All India Rainfall





# Industry Backdrop – All India Rainfall



# Industry Backdrop - Cotton

## Area coverage during Kharif 2020 as on Sep 18, 2020

*Area in lakh hectare*

State	2020-21	2019-20	YoY Abs Change
Andhra Pradesh	5.64	6.20	-10%
Telangana	24.13	18.60	23%
Gujarat	22.79	26.67	-17%
Haryana	7.37	7.01	5%
Karnataka	6.88	5.75	16%
Madhya Pradesh	6.44	6.09	5%
Maharastra	42.25	43.84	-4%
Odisha	1.71	1.70	1%
Punjab	5.01	4.02	20%
Rajasthan	6.68	6.45	4%
Tamilnadu	0.35	0.50	-44%
Others	0.22	0.27	-22%
All India	129.47	127.09	2%



# Industry Backdrop – Commodity Prices Cotton



State	Prices February, 2021	Prices February, 2020	% Change (Over Previous Year)	Prices January, 2021	% Change (Over Previous Month)
Gujarat	5521.58	4914.39	12.36	5457.08	1.18
Haryana	5747.07	5099.66	11.28		—
Karnataka	5624.35	4950.21	13.62	5529.52	1.71
Madhya Pradesh	5688.18	5193.21	9.53	5441.50	4.53
Maharashtra	5610.98	5193.3	8.04	5593.3	0.32
Odisha	5710.54	5326.78	7.2	5656.78	0.95
Punjab	5747.07	5179.26	10.96	5592.57	2.76
Rajasthan	5822.46	5204.56	11.87	5687.86	2.37
Tamil Nadu	4489.18	4860.82	-7.65	5756.40	-22.01
Telangana	5455.47	4938.49	10.47	5517.06	-1.12
<b>Average</b>	<b>5518.87</b>	<b>5086.07</b>		<b>5581.34</b>	

# Industry Backdrop - Maize

## Area coverage during Kharif 2020 as on Jan 29, 2021

*Area in lakh hectare*

State	2020-21	2019-20	YoY Abs Change
Andhra Pradesh	2.02	2.34	-16%
Arunachal Pradesh	0.1	0.1	0%
Assam	0.53	0.43	19%
Bihar	9.11	8.69	5%
Chattishgarh	0.69	0.77	-12%
Chhattishgarh	2.26	1.96	13%
Gujarath	3.79	4.31	-14%
Harayana	0.12	0.49	-308%
Jharkhand	2.79	2.55	9%
Karnataka	11.76	10.64	10%
Madhaya Pradesh	14.95	15.26	-2%
Maharashtra	11.39	10.36	9%
Orissa	2.33	2.22	5%
Panjab	2.44	1.6	34%
Rajasthan	9.15	8.8	4%
Tamilnadu	2.47	2.72	-10%
Telangana	1.79	4.72	-164%
Uttar Pradesh	7.57	7.31	3%
West Bengal	1.9	1.86	2%
Others	7.14	7.25	-2%
<b>TOTAL</b>	<b>94.3</b>	<b>94.39</b>	<b>0%</b>



# Industry Backdrop – Commodity Prices Maize



State	Prices February, 2021	Prices February, 2020	% Change (Over Previous Year)	Prices January, 2021	% Change (Over Previous Month)
Andhra Pradesh	1,275	1,680.48	-24.13	1,248.82	2.1
Chattisgarh	1,248.70	1,644.27	-24.06	1,234.91	1.12
Gujarat	1,535.21	1,854.76	-17.23	1,486.02	3.31
Jharkhand	1,700	1,760.00	-3.41	1,700	0
Karnataka	1,348.27	1,722.40	-21.72	1,310.17	2.91
Madhya Pradesh	1,213.55	1,515.00	-19.9	1,212.8	0.06
Maharashtra	1,291.92	1,573.63	-17.9	1,309.58	-1.35
Odisha	1,269.55	1,789.14	-29.04	1,282.42	-1
Rajasthan	1,351.21	1,757.59	-23.12	1,373.75	-1.64
Tamil Nadu	1,328.5	1,667.51	-20.33	1,335.77	-0.54
Telangana	1,341.28	1,773.99	-24.39	1,368.97	-2.02
Uttar Pradesh	1,478.22	1,880.47	-21.39	1,674.94	-11.74
<b>Average</b>	<b>1,365.12</b>	<b>1,748.10</b>		<b>1,378.18</b>	

# 9MFY21 Crop wise performance



## Cotton:

- Volumes are almost stable in 9MFY21; lower by less than 2%
  - Gained cotton seed market share in Gujarat & Haryana markets
  - Lost sales in AP and Telangana
  - Contribution of new products went up from 31.23% to 35.47% of volume
  - New products include KCH 111 & Biplav Money Maker

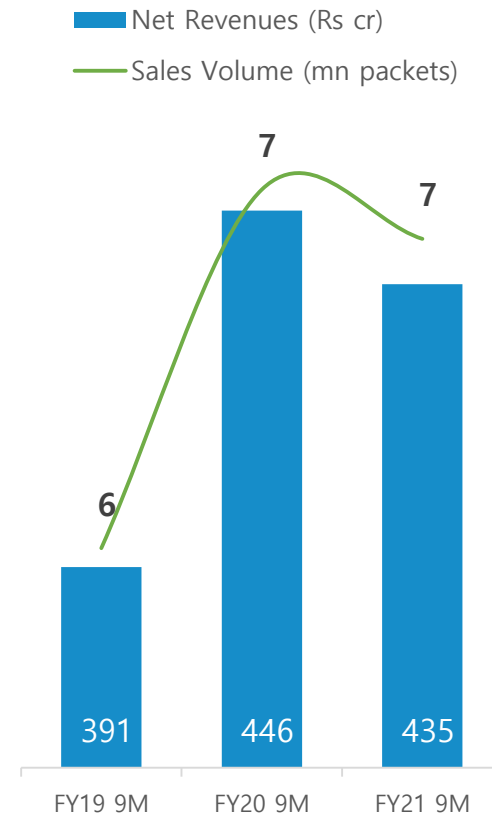
## Non-Cotton:

- Business has grown significantly - up by 34.18 %
  - Driven by volume growth in new hybrids and also price appreciation in key products

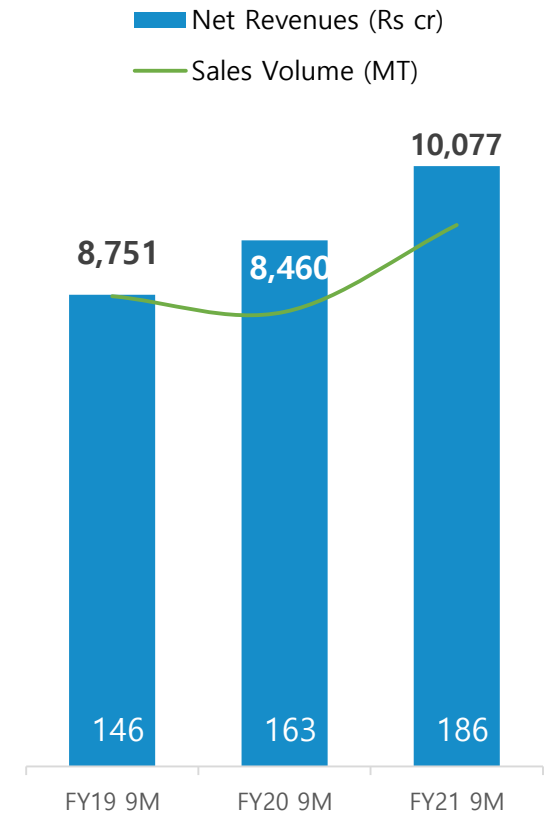
## Maize:

- Maize volume has increased by 19.11% and revenue by 13.60%.
- Contribution of new products went up from 7.71% to 9.27% of volume

### Cotton seed revenue & volumes



### Maize seed revenue & volumes



# 9MFY21 Crop wise performance



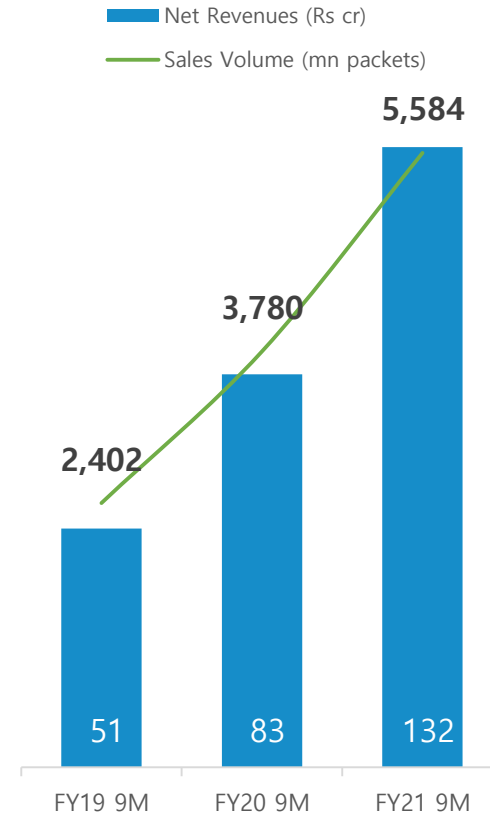
## Hybrid Rice:

- Volumes increased by 47.72% in 9MFY21
- Introduction of new hybrid KPH 468 & KPH 471 & KPH 7299 helped towards strong growth
- Contribution of New Hybrids went up from 50.09% to 67.84%

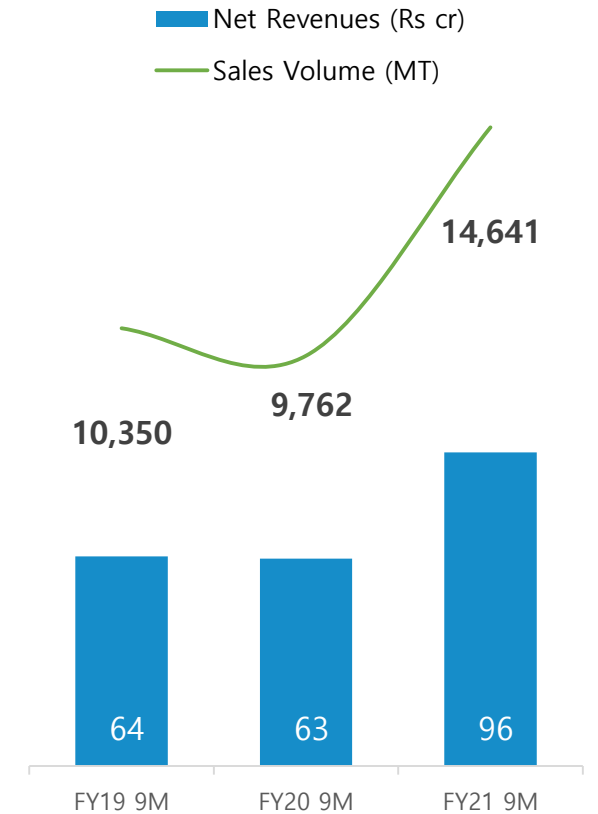
## Selection Rice:

- Volumes grew by 49.98% in 9M FY21
- Consistent performance across geographies. New products scale up on the back of growth in CHINTU , PRIZE & SAMPURNA

### Hy Rice Seed revenue & volumes



### Sel Rice seed revenue & volumes



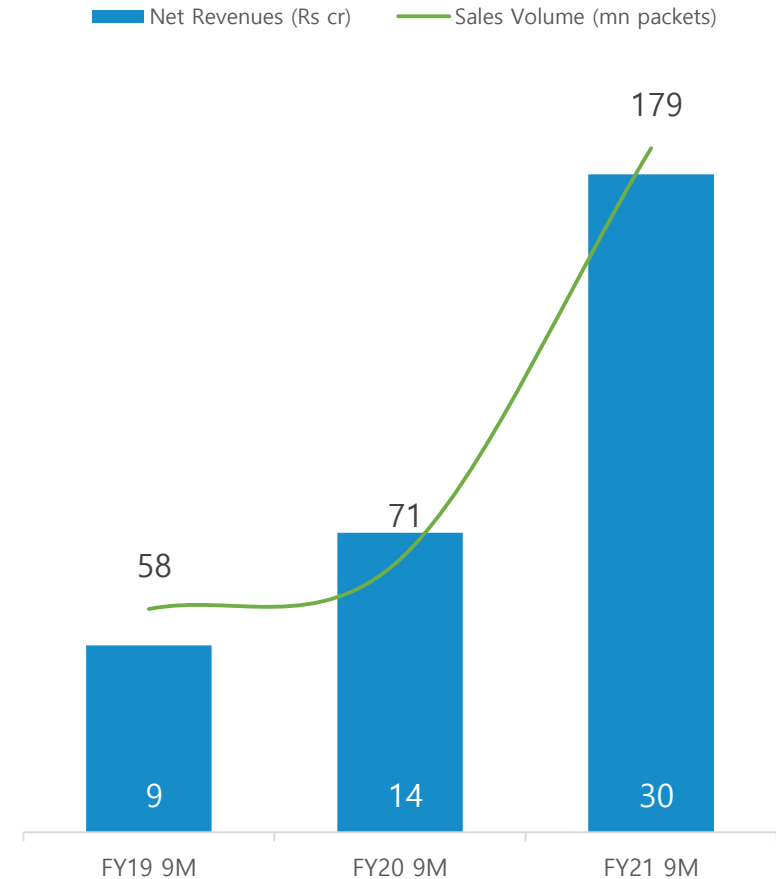
# 9MFY21 Crop wise performance



## Vegetables:

- Vegetable sales volumes increased by 150.57%
- Major growth driven by Hot pepper, Tomato, Gourds & Okra
  - In Hot pepper KHPH 1213, KHPH 1217 & KHPH 1225
  - In Tomato KTH 354 & KTH 355
  - In Okra KOKH 1107
  - In Gourds Kaveri 88, Kaveri 67 & Kaveri Hero

## Vegetable seed revenue & volumes

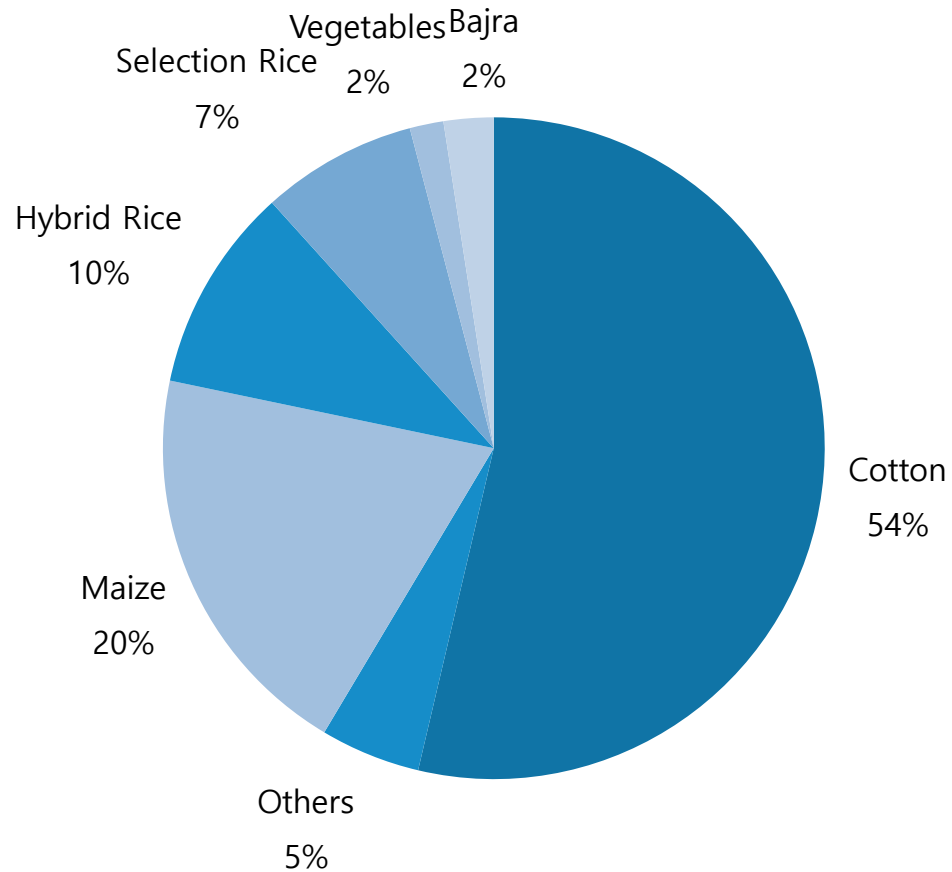




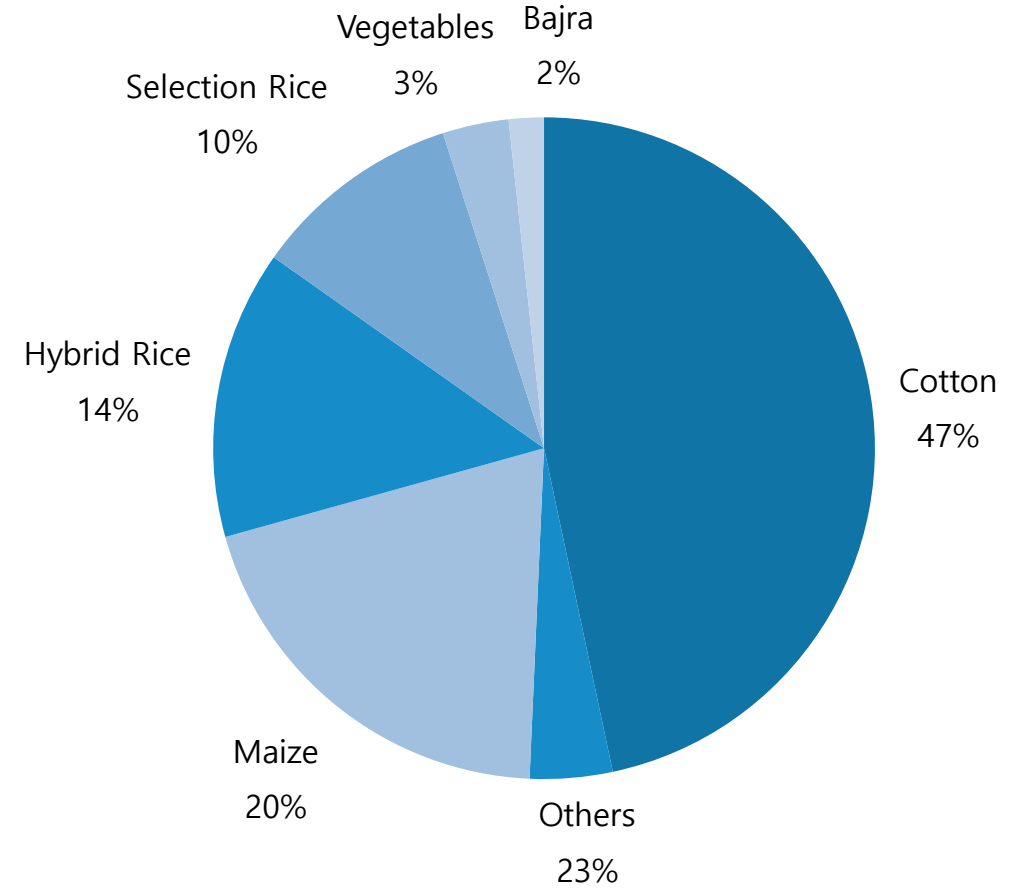
# Segmental Revenue Contribution



**9M FY20 Revenue 831 mn**



**9M FY21 Revenue 931 mn**

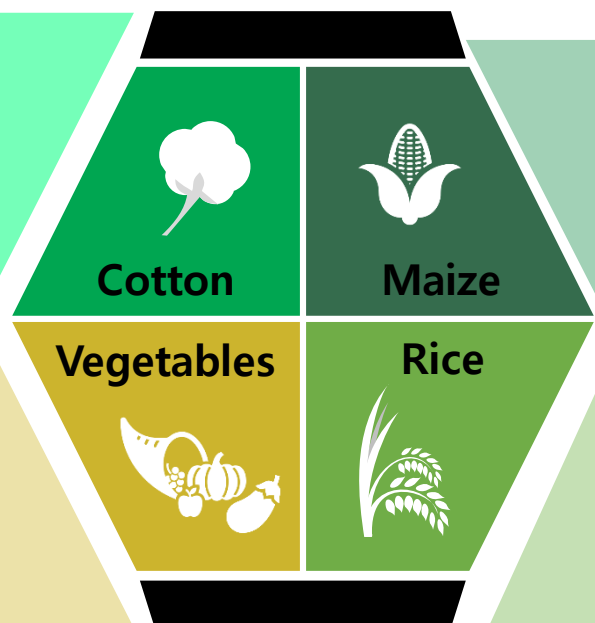


## Efforts in R&D during the 9M have led to the following crop wise performance where new products are concerned

- The contribution from new products has gone up to 27.20% of volume in 9MFY21 (from 24.55% in 9MFY20)

New products include KCH 111, money maker, VIPLAV  
 Benefits – Higher Yield Advantage  
 Differentiators : Better Sucking Pest Tolerance and Big Boll Size

- Major growth driven by Hot pepper, Tomato, Gourds & Okra
- Some Hybrids in Hot Pepper like KHPH 1213, 1217 as well as in Tomato KTH 354 & 355.
- Vegetable market sales are expected to improve on the back of the introduction of new Hybrids



New products – 8322 , 8333 , 5210 4210

Benefits : highest Yield , Attractive Color & Best Storability  
 Differentiators : High Sheeling , Disease Tolerance & Wider Adaptability

Introduction of new hybrid 468 KPH471 & KRH7299 helped towards strong growth  
 Consistent performance across geographies. New products scale up on the back of growth in Chintu & Sampurna

Benefits : Higher Yield & Best Fitment  
 Differentiators : Wider Adaptability , Disease tolerance and Better Stress Tolerance

# Outlook



## Field

- The Company plans to increase non-cotton revenue share to 60% from current 53% over the long term
- Exploring export opportunities; has shortlisted nine countries as potential export countries. Currently, majority of export revenue comes from Bangladesh. Over the next 4-5 years, Kaveri aims to achieve sizeable revenue share from exports
- Expecting some additional sales in Q4 for Cotton from summer markets as well as early markets of north & west India
- New Products pipeline in Millet will set a growth path for future growth in this segment while continued growth in Rice will continue in near future



## Vegetables

- Vegetable seeds market in India is currently valued at INR30b+ and is growing at 20% run rate. Current market share of KSCL is very low. Kaveri targets to gradually improve its market share
- Kaveri has introduced CLCV virus-resistant KHPH1217 & KHPH 1213 in the hot pepper market. This product is performing well. Management have identified and selected a few more CLCV virus-resistant hybrids and plan to introduce 2 hybrids in the coming year
- Bitter gourd, okra and the new vegetable introduced in 4QFY21 (cabbage, beetroot, carrot, marigold, sweet pepper, pumpkin and muskmelon, Coriander crops) are performing well



# Q3 & 9MFY21 Performance



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# Q3 & 9MFY21 Performance Review



Rs. lakhs	Standalone						Consolidated					
	Q3FY21	Q3FY20	Growth (%)	9MFY21	9MFY20	Growth (%)	Q3FY21	Q3FY20	Growth (%)	9MFY21	9MFY20	Growth (%)
Net Sales	10,007.43	9,844.44	1.66	93,190.27	83,133.92	12.10	11,854.80	12,198.84	(2.82)	97,205.29	86,722.61	12.09
Cost of Production	4,972.63	5,164.00	(3.71)	50,372.56	43,777.95	15.06	5,702.88	6,436.85	(11.40)	51,117.95	44,382.87	15.17
<b>Gross Profit</b>	<b>5,034.80</b>	<b>4,680.44</b>	<b>7.57</b>	<b>42,817.71</b>	<b>39,355.97</b>	<b>8.80</b>	<b>6,151.92</b>	<b>5,761.99</b>	<b>6.77</b>	<b>46,087.34</b>	<b>42,339.74</b>	<b>8.85</b>
<b>Gross Margin (%)</b>	<b>50.31</b>	<b>47.54</b>	<b>5.82</b>	<b>45.95</b>	<b>47.34</b>	<b>(2.94)</b>	<b>51.89</b>	<b>47.23</b>	<b>9.87</b>	<b>47.41</b>	<b>48.82</b>	<b>(2.89)</b>
Employee cost	2,064.51	1,951.98	5.76	5,226.62	4,341.29	20.39	2,452.43	2,216.74	10.63	6,177.37	5,100.77	21.11
Other Expenses	2,277.96	2,057.16	10.73	7,663.80	9,886.80	(22.48)	2,677.44	2,500.23	7.09	8,525.99	10,651.53	(19.96)
<b>Other income</b>	<b>815.61</b>	<b>772.30</b>	<b>5.61</b>	<b>4,339.00</b>	<b>1,504.71</b>	<b>188.36</b>	<b>754.83</b>	<b>766.55</b>	<b>(1.53)</b>	<b>4,151.50</b>	<b>1,461.12</b>	<b>184.13</b>
<b>EBITDA</b>	<b>1,507.94</b>	<b>1,443.60</b>	<b>4.46</b>	<b>34,266.29</b>	<b>26,632.59</b>	<b>28.66</b>	<b>1,776.88</b>	<b>1,811.57</b>	<b>(1.91)</b>	<b>35,535.48</b>	<b>28,048.56</b>	<b>26.69</b>
<b>EBITDA Margin (%)</b>	<b>15.07</b>	<b>14.66</b>	<b>2.76</b>	<b>36.77</b>	<b>32.04</b>	<b>14.78</b>	<b>14.99</b>	<b>14.85</b>	<b>0.93</b>	<b>36.56</b>	<b>32.34</b>	<b>13.03</b>
Depreciation	538.67	618.31	(12.88)	1,590.63	1,789.24	(11.10)	560.35	650.88	(13.91)	1,662.30	1,894.35	(12.25)
Finance Cost	4.61	5.21	(11.52)	24.24	10.30	135.34	4.70	12.24	(61.60)	35.46	30.17	17.53
<b>PBT</b>	<b>964.66</b>	<b>820.08</b>	<b>17.63</b>	<b>32,651.42</b>	<b>24,833.05</b>	<b>31.48</b>	<b>1,211.83</b>	<b>1,148.45</b>	<b>5.52</b>	<b>33,837.72</b>	<b>26,124.04</b>	<b>29.53</b>
<b>PAT</b>	<b>745.03</b>	<b>604.81</b>	<b>23.18</b>	<b>31,963.70</b>	<b>24,191.42</b>	<b>32.13</b>	<b>911.20</b>	<b>825.46</b>	<b>10.39</b>	<b>32,786.32</b>	<b>25,146.39</b>	<b>30.38</b>
<b>PAT Margin (%)</b>	<b>7.44</b>	<b>6.14</b>	<b>21.18</b>	<b>34.30</b>	<b>29.10</b>	<b>17.87</b>	<b>7.69</b>	<b>6.77</b>	<b>13.59</b>	<b>33.73</b>	<b>29.00</b>	<b>16.32</b>

# Cash investments as on 31 December 2020



All figures based on cost

Fund House	Liquid	Liquid Plus	FMP	Shortterm	Medium	Grand Total
ASK					2,293	2,293
AXIS		2,100				2,100
BIRLA			2,100	700	1,220	4,020
BOB	750					750
FRANKLIN			500			500
HDFC		1,500			3,800	5,300
ICICI		4,044	2,210			6,255
IDFC		2,000				2,000
INVESCO		1,000				1,000
KOTAK		3,000	500	2,100		5,600
NIPPON			600	4,640		5,240
SBI		2,000				2,000
SUNDARAM				2,000		2,000
TATA		2,100				2,100
UTI		2,000	648			2,648
<b>Grand Total</b>	<b>750</b>	<b>19,744</b>	<b>6,558</b>	<b>9,440</b>	<b>7,313</b>	<b>43,805</b>

Rs. in Lakhs

Total cash on books of Rs. 455 crore as on 31 December, 2020

# The Kaveri Moat: Seeding Profitable Growth



Strong P&L record, Cash rich, consistent dividend paying

Diverse Product portfolio addressing crop rotation & shift

Brand Salience: Preferred Choice for farmers, growers, distributors

Farmer-centric Product Pipeline: Superior agronomic features

Unrivalled farmer loyalty: Nurturing farmer relationships since decades



Kaveri Seeds

Leadership in key crops: Top 5 Rank

Benchmark R&D: Comprehensive germplasm repository

Market adjacent, Pan- India Operations with comprehensive distribution network; unmatched processing & storage capabilities

High Entry Barriers, Indispensable industry

Best placed to scale-up production

# Investor Contacts



For further information, please contact:

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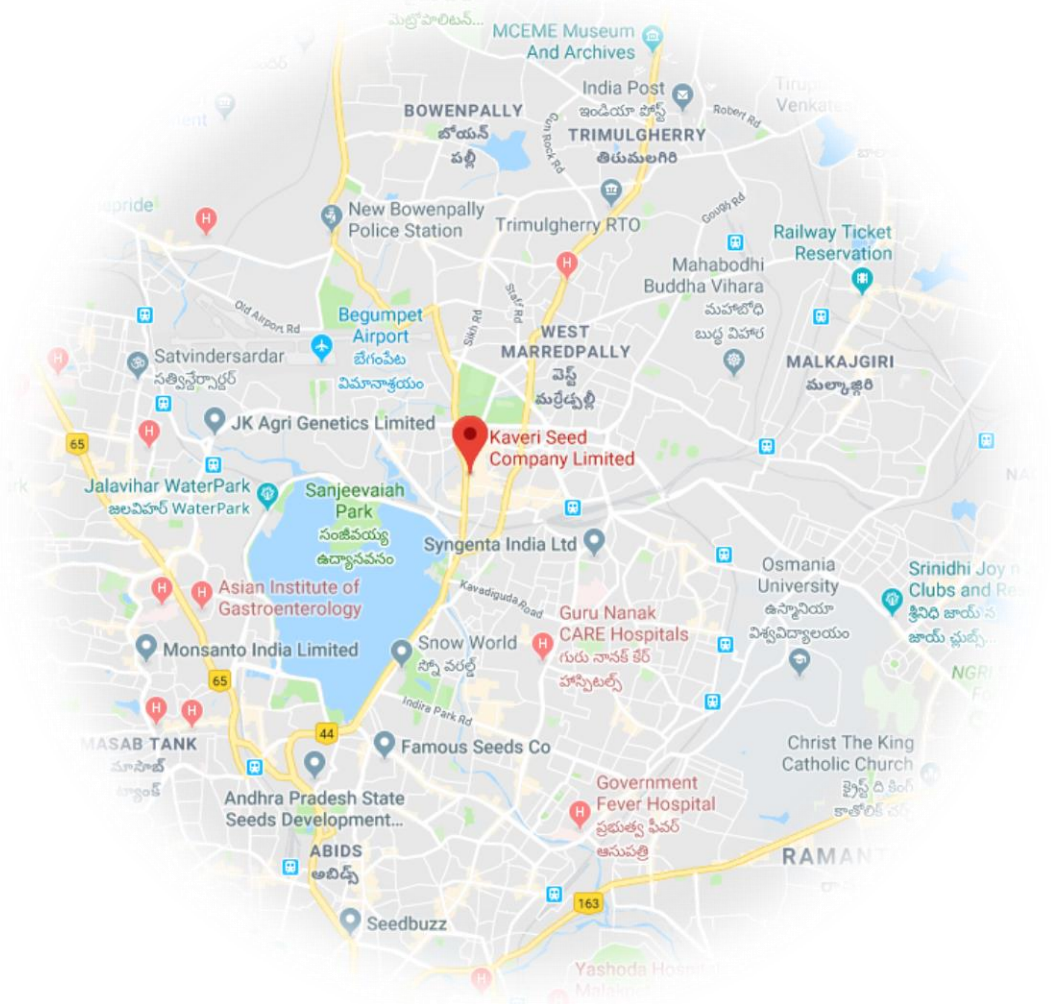
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Thank You



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