



# **Q1 FY23 Investor Update**

**Kaveri Seed Company Ltd.**  
**NSE: KSCL BSE: 532899**



# Key Operational Highlights

- ▶ The company has achieved pre-covid level revenues and on a growth path to achieve better volumes and revenue during the year
- ▶ In spite of increase in revenue during the quarter, the company is able to maintain the cost of production and other expenses at the same level, this has lead to improvement in EBIDTA and PAT levels, better than last year
- ▶ EBIDTA and PAT margins during the quarter grew by 427 and 332 basis points
- ▶ Increased cotton acreage during the current year was driven by high cotton prices and market share gains on account of renewed marketing efforts
- ▶ Use of illegal cotton seed has come down and organized players have gained market share in cotton seed
- ▶ Higher area of Cotton acreage is reported from the states like AP, MH, GJ, KA, RJ, OR and TN and less area is reported from the states TS, HR, MP, and PB



# Key Highlights

- ▶ Delay in onset of monsoon across India till 15<sup>th</sup> of June, 2022 also has impacted the sentiment of the farmers
- ▶ Expecting double digit growth in Maize, Rice, sun flower and vegetables in the second half of the year
- ▶ Despite a 15% decrease in rice acreage due to rain shortages in some regions of the nation, The company has surpassed the market in terms of volume growth
- ▶ Company continues to see encouraging growth in vegetable seed acreage, volumes and revenue growth
- ▶ Across all the segments, including cotton, rice and vegetables, the company has introduced new variants and has witnessed a growing contribution from new variants across the segments





# Core Crop Portfolio

Diversified seed production agricultural platform



Rice



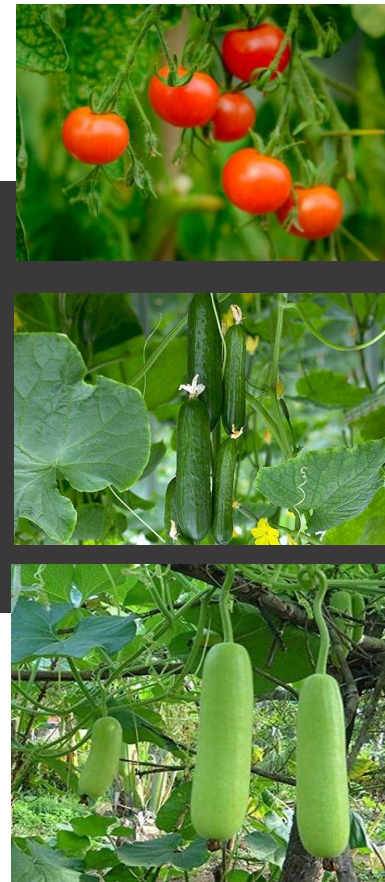
Maize



Cotton



Bajra



Vegetables



Sun flower

# Crop Market Sizes



69.05 lakh hectares

## ► Maize

- Low yielding situation calls for adoption of hybrid varieties, which should happen in next 5 years
- With increasing consumption of protein and demand for green fuels, the acreage should increase in India like in Brazil and USA



231.59 lakh hectares

## ► Rice

- Hybrid rice is just 9% at 4 million hectares
- 10% shift to hybrid is a huge opportunity, which is happening on the ground



57.91 lakh hectares

## ► Bajra

- Strong product pipe line of Kaveri Seed to make the Co. winner in this segment
- Nutritional benefits are driving the growth of this crop, as the awareness increases the demand so as the acreage



10.58 lakh hectares

## ► Jowar

- Nutritional benefits are driving the growth of this crop, as the awareness increases the demand so as the acreage



1.57 lakh hectares

## ► Sun flower

- Expecting good expansion in acreage as it is in very nascent stage in India and cooking oils demand in India is currently met by importstons



117.65 lakh hectares

## ► Cotton

- Increase in authentic seeds use and reducing counterfeit seeds by Gol and States will enhance the potential for organised players like Kaveri Seed





**Q1 FY23 Results update**

# Financial highlights

(Rs in Crore)

Particulars	Q1FY23	Q1FY22	Growth (%)
Net Sales	731.95	682.40	7.26%
Cost of production	419.23	417.55	0.40%
Other expenses	53.67	53.17	0.94%
EBIDTA	239.93	194.55	23.32%
EBIDTA Margin	32.78	28.51	427 basis points
PAT	240.67	201.75	19.29%
PAT Margin	32.88	29.56	332 basis points
Cash on Books	559	560	

# Operational highlights

- Cotton Volumes Increased by 08.33% & Revenue by 03.87%
  - New products in North Market include VIPLAV, KCH111, Money Maker, and KCH 9333. (subject to Govt. sales permission)
- Hybrid Rice Volumes grew by 6.09% & Revenue By 1.02%
  - Robust growth has been made possible by the introduction of the novel hybrids KPH471, KPH473, KRH7425, and KRH7299
- Selection Rice volumes grew by 15.20% in FY23
  - The contribution of new products was up from 18.02% to 23.49% of volumes
  - New Products in Selection Rice is doing well, like KRV0511 & KRV0501 and KV99 help us in increase the volume
- Maize volumes Increased by 24.43% and revenue by 13.46%
  - Contribution of new products was up from 18.08% to 28.62% of volumes
- Vegetable Seed sales volumes increased by 25.90% while revenue decreased by 02.54%



# Revenue and Volumes growth for Q1FY23

Particulars	Revenue		Growth	Volumes		Growth
	Q1FY23	Q1FY22		Q1FY23	Q1FY22	
Non Cotton	412.13	374.51	10.04%	30,035	27,359	9.78%
Cotton	319.82	307.90	3.87%	53.80	49.67	8.33%

Particulars	Revenue		Growth	Volumes		Growth
	Q1FY23	Q1FY22		Q1FY23	Q1FY22	
Hybrid Rice	165.15	163.48	1.02%	6,969	6,569	6.09%
Selection Rice	90.73	85.95	5.55%	13,488	11,709	15.20%
Maize	95.52	84.19	13.46%	5,411	4,348	24.43%
Vegetables	18.02	18.49	-2.54%	48	38	25.90%

# Forward-Looking Statements

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.







Thank you