BioSpect
the business of Bi
24 years of leveraging the business of Bio
www.biospectrumindia.co

Top 20 Series: Rank 3: Nuziveedu Seeds retains leadership in cotton

13 October 2015 | Features | By BioSpectrum Bureau

Top 20 Series: Rank 3: Nuziveedu Seeds retains leadership in cotton



Organization: Nuziveedu Seeds Ltd
Chairman: M Prabhakar Rao
Bioscience Revenue: Rs 884 crore

Â

Nuziveedu Seeds Ltd is one of the largest Bt cotton seed company in India which develops, produces, and markets hybrid and varietal seed products. It is the flagship company of NSL Group which is a multimillion (in INR) conglomerate with interests in power, textiles, retailing, sugar and infrastructure. The company's total business from Bt cotton seeds sale was Rs 884 crore.

Nuziveedu is one of the largest seed producers in India with an annual output of around 80,000 MT hybrid seeds spread over 95,000 acres.It partners with over 98,000 farmers, who produce seeds on behalf of the company. Overall cotton area increased 5 percent from 2013-14 to 2014-15 up to a record area of 12.3 million hectares. The dip in cotton area in some parts is believed to be lowest in the decade in 2015-16. "But still we have retained our leadership in cotton with our new introduced products, brand identity and exclusive marketing team dedicated to cotton only," claims NSL.

In the year 2014-15, the company has launched two new Bt cotton products Raja and Puja. Both the products are suitable for varied agro-climatic zones of India. Under the public-private partnership, plans have been designed in Maharashtra for Kharif season wherein Nuziveedu Seeds will play a crucial role in supplying cotton seed and provide pre and post season package of practices through farmer training, claims company. NSL will provide the forward market linkage to the farmers for selling their products. "Our sister concern will buy the kapas from these farmers at the prevailing market rate on the day of sale. Farmers can store the lint after ginning at our unit in the proposed warehouse by us and this will be useful for them to obtain bank loan at a lower interest rate. The farmers can sell their produce as and when they get a reasonable price, says company.

The company has set a goal to achieve an overall market share of 25 percent from current 22 percent because of newly launched products and the intensive extension work and expansion of its marketing network though copartners like KRIBHCO and Tata Chemicals. NSL is also focusing on three other major crops i.e. maize, paddy and vegetables for the year 2015-16.

This Hyderabad-based company has received a green signal from the capital markets regulator SEBI for its proposed initial public offer (IPO). The company had filed its draft red herring prospectus with SEBI in April 2015 to raise `125 crore through a fresh issue besides an offer for sale of up to 9.9 million equity shares by promoter Mandava Prabhakara Rao and up to 1.9 million shares by existing investor Blackstone. Blackstone had invested `250 crore in the firm in February 2011 and currently owns 10.5 percent stake.