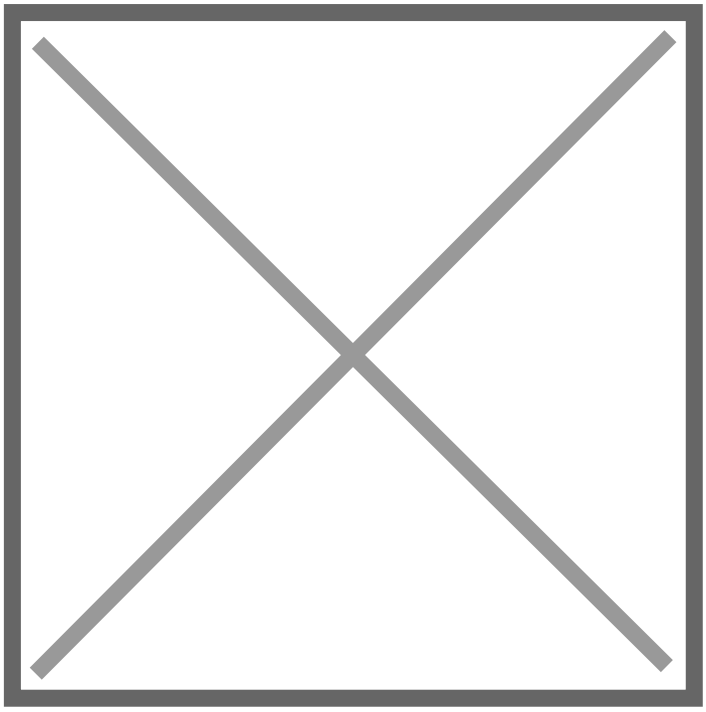
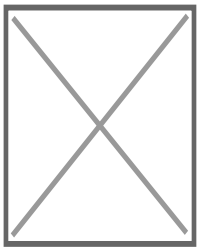
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'We are looking at acquisitions, partnerships and global networking'

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Mr Sushil Karwa
managing director, Krishidhan Group of Companies

Jalna-based bio-agri company Krishidhan Seeds is aggressively rolling out its expansion plans that is expected to yield manifold results. Apart from a sky-rocketing surge in its biotech revenues and achieving a wider reach to Indian farmers, the company launched its global initiatives by setting shop in the burgeoning European market. Looking at its growth graph, Krishidhan has now set an ambitious target of hitting the ₹1,000 crore revenue by 2015 and is exploring newer geographies. In a conversation with BioSpectrum, Mr Sushil Karwa, managing director, Krishidhan Group of Companies, throws light on the company's strategy and its pursuit in leaving a mark in the Indian bio-agri industry.

Q Krishidhan Seeds saw a huge surge in its biotech revenues from ₹133 crore to ₹276.13 crore for the fiscal 2010-11. What were the reasons behind this tremendous growth?

Mr Karwa: The company is determined to implement its model of the three Ps (planet, people and profit) in its international and domestic business. A team of high caliber and internationally experienced plant physiologist and breeders, molecular biologists, biotechnologists, entomologists and geneticists are the strengths of this company. Our team of scientists develop unique genetics that are rigorously tested in varied agro-climatic conditions, which in turn are integrated by arsenal of technologies with most precise molecular plant breeding tools and then considered for release in market. Furthermore, a dedicated workforce of 1,200 employees working panÃ¢â?¬â??India are yet another asset of the company. Apart from the highly qualified scientists and technologists, Krishidhan also has a strong marketing network of over 490 personnel, spread across 22 of its sales offices. Moreover, the company has 1,600 distributors and over 25,000 retailers covering about 30,000 villages and reaching out to more than 6,00,000 farmers. The sales personnel and trade partners play a vital role. These are the reasons behind this tremendous growth.

Q What have been the achievements of Krishidhan Seeds in the current fiscal?

Mr Karwa: With a turnover of around ₹313 crore, Bt cotton continues to be our core business, contributing significantly to our total revenue. We are working in all states and have launched stellar products for each zone of India. Krishidhan has special focus on Maharashtra as it contributes to 35 percent acreage of India, which makes it the biggest cotton seed market. Along with Maharashtra, Madhya Pradesh and Gujarat being adjacent and similar in agro-climate requirements, are other states where our Bt cotton hybrids have outperformed and enjoyed most preferred status in the market. In the north, because

of our newly launched hybrid, Ã¢â?¬Å?PanchamÃ¢â?¬?, we have received widespread acceptance by the farming community. Pancham has been developed by combining a package of technology to enable superior genetics integration suiting to northern zone dreaded diseases and pest resistance, and deep root characters that help establish with ease during prevalent stress conditions in Northern India.

Q What investments have the company made so far in R&D? Tell us about your research pipeline?

Mr Karwa: Different processing modules are adapted for different crops and seasons, meeting stringent quality norms. Krishidhan is engaged in pioneering research through another group company Krishidhan Research Foundation (KRFPL). Collaborating with many national and international organizations, both in the public and the private sector, KRFPL is actively involved in several path-breaking projects related to resistance to insects and viruses, among others. We are also looking forward to the introduction of herbicide resistance in several crops, so that farm productivity does not suffer due to labor shortage. Our R&D biotech pipeline is preparing a novel technology enabled tool that would reduce biosafety concerns and will be able to lead better science-based public perception on GM technology, especially for food crops. We are looking forward to introduce a package of indigenous technology in crops like eggplant and maize.

Q Give a brief on Krishidhan Seeds' plans and investments in the GM food crop space?

Mr Karwa: Krishidhan envisages to invest substantially in GM food crop development, however, our approach is towards developing and incubating indigenous technology that would have simple and significant science based benefits for consumers, farmers, public, environment and society. The company plans to invest in a cold storage, ultra-modern vegetable seeds processing plant, cotton plant for further capacity enhancement and automation processing plants. The next two-to-three years will propel the company's growth manifold. We are eyeing a turnover of around `1,000 crore by 2015 and plan to invest substantially in R&D.

Q Krishidhan Seeds has been aggressive in EU. How do these markets fit into Krishidhan Seeds' overall business strategy?

Mr Karwa: India has a huge potential for farming and export of agro-products overseas. The agricultural exports have a crucial role to play in the long-term as it has the potential to provide farmers a better price for their produce. We have been field testing our products in Europe and have seen the potential they can offer in the developed world. This has been inspiring development to customize our processes and products for such a developed market with precision-driven expertise.

Q Will Krishidhan Seeds look at acquisitions abroad and in India? Is the company looking at other markets too, especially for its biotech business?

Mr Karwa: We are definitely looking at acquisitions, partnerships and global networking. We are commercially exporting our products to the Middle East Asia, South Africa, Asia Pacific, Pakistan, Bangladesh, Sri Lanka and Europe. As and when we grow, we plan to tap more areas overseas. Biotech business is likely to expand, especially after a positive global growth in biotech crop hectares, which continues to climb after 15 consecutive years of strong growth.

Q Back in 2010, Summit Partners invested $30 million into the company. What is the progress so far?

Mr Karwa: The investment comes at a time when many of Krishidhan Seeds's ambitious plans are unfolding at a breathtaking pace. The company needed infusion along with strategic professional direction to strategize its visionary plans. So we went in for PR investment rather than strategic partnership.

Since then there has been no looking back for Krishidhan. Just after the fund infusion, Krishidhan moved overseas by beginning its operations in Holland. The venture, which is spearheaded by Krishidhan Seeds Europe and led by industry veteran Dr Jan Tamboer as its CEO, opens new vistas for the company to transform into a multinational seed company from a pan-India entity.

Q What are your observations on the performance of the Indian bio-agri industry in past one year?

Mr Karwa: Agricultural biotechnology has unveiled immense opportunities for the Indian seed industry. Talking about the progress of Bt crop in India, its future is very bright. In India, farmers are in dire need for new technologies and new varieties of seeds. Bt cotton has changed the fortunes of the farmers and the economy at large. There is a 360 degree change with India turning into the second largest exporter of cotton from being an importer.

Nayantara Som in Mumbai