

# SEED BARONS OF INDIA

Mandava Prabhakar Rao and family talk about their Nuziveedu Seeds and other business ventures which worth ₹10,000 crores and how each one of them has contributed to its success

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DECCAN CHRONICLE

Rural Bharat in recent times has been driving the country's business growth while urban India has been slowing down. The cotton king of India, Mandava Prabhakar Rao, however, had anticipated this about three decades back when he took over his father's nascent seed business and nurtured it into a pan-India seed empire.

The diversified conglomerate has its interests in power, textiles, sugar and infrastructure. His group's revenue hovers over ₹5,000 crore and its net worth, by conservative estimates, is around ₹10,000 crore.

Nuziveedu Seeds, which got its name from the town close to Rao's village Thukkuluru in Krishna district, had very humble beginnings. Profit was not the only motive for its founder Mandava Venkataramaiah, Prabhakar Rao's father. A farmer himself, he had founded the company in 1973 as he realised that farmers desperately needed quality cotton seeds.

"The country was facing an acute seed shortage in those days. There were no seed companies, especially for cotton," the 82-year-old family patriarch says, adding, "My wife Rama Devi actively helped me with moral support as I had quit a secure government job to start the business, which nobody thought would be so successful."

Prabhakar Rao took over the reins of Nuziveedu Seeds in 1983. An agriculture graduate from Banaras University, he shifted the company's focus towards developing pest-resistant hybrids in 1983. The efforts bore fruit in 1995 and Nuziveedu Seeds soon became India's largest hybrid seed company in terms of sales.

Rao is proud of the fact that around 40 per cent of the country's cotton production can be traced to the seeds developed by his company. Besides cotton, the company is also emerging as a leading producer and processor of seeds for field crops such as



**THE FAMILY TREE:** (From left) Mandava Prabhakar Rao, Asha Priya, Venkat and Aishwarya

paddy, corn, sorghum, pearl millet, sunflower and vegetable crops.

Did Venkataramaiah ever anticipate that his son would go this far? Venkataramaiah says, "When he was 11, he had a poultry farm with 100 birds and used to take a portion of our farm to grow plants of his choice. I spotted the budding entrepreneur in him then."

Rao meanwhile has successfully achieved the integration of

the cotton seed business, making him the cotton king of India. While his flagship company sells cotton seeds, a subsidiary, NSL Cotton Corp, procures cotton from farmers and sells it to domestic and international yarn makers. NSL Textiles, yet another group firm, uses a part of yarn to make fabric for garment makers while another arm uses a part of the fabric to make garments, which is supplied to established brands.

The fast growth in the cash-rich seed business allowed Rao to sow the seeds of expansion in other sectors. "We expanded into renewable energy in 1999 as it was the next big thing. It also had some income-tax benefits," Rao explains. Currently, NSL Power generates 200 megawatts of renewable energy from wind, hydel, biomass and solar sources. Rao wants his daughter-in-law Aishwarya to head the company.

**I am totally against the consumption of alcohol. But with no takers of ethanol, we are forced to produce alcohol and sell it to liquor companies.**

**— PRABHAKAR RAO**

Apart from NSL Power, Rao is the single largest shareholder (40 per cent) in ReGen Powertech — the third largest wind energy company in India. Rao's next frontier was ethanol.

A teetotaler, Rao was forced to produce alcohol due to the government's flip-flop in the implementation of its ethanol policy. "I am totally against the consumption of alcohol. But with no takers of ethanol, we are forced to produce alcohol and sell it to liquor companies."

The surplus cash generated by seed business found its way into real estate. Rao has land banks in Hyderabad, Bengaluru, Chennai, and the National Capital Region of Delhi. Though he doesn't want to quantify, the land bank is expected to be over 1,000 acres across the four cities. His next frontier, according to him, would be agrichemicals and advisory services in rural areas.

Despite the wealth and fame, his family is simple and down to earth. Their home at Jubilee Hills bears testimony of Rao's philosophy and the simplicity of his better half Asha Priya. She is the boss at home. Asha Priya is on the board of flagship Nuziveedu Seeds and heads their CSR initiative.

Their 24-year-old son, Venkatram Chowdary, is the sole heir to this sprawling empire. "We are like best friends. We play pranks at each other and discuss business and also current affairs at the dining table," reveals his wife Aishwarya, the daughter of Krishna Institute of Medical Sciences chairman B. Krishnaiah.

## Get to know the Raos

### VENKATARAMAIAH

The 82-year-old founder of Nuziveedu Seeds quit his government job to start his own business. He is credited with having introduced the auction concept at the Tobacco Board.



### RAMA DEVI

A housewife and an active partner in the efforts of Venkataramaiah. Now 73 years old, Rama Devi used to supervise labour at their family farms for the production of seeds.



### PRABHAKAR RAO

An agriculture graduate, Prabhakar Rao transformed a small concern into India's largest seed company. Rao likes reading and listening to soothing Telugu and Carnatic music.



### ASHA PRIYA

Prabhakar Rao's wife Asha Priya heads the Mandava Foundation, a CSR initiative of the NSL Group. It supports schools near their plants and helps handloom weavers in selling their produce.



### VENKAT

The 24-year-old son of Prabhakar Rao is a director for NSL Sugars and NSL Textiles. He is a management graduate from Amity University. He likes watching Telugu movies.



### AISHWARYA

The 22-year-old wife of Venkat is being groomed to head NSL Power and ReGen Powertech. She is a commerce graduate and is pursuing her CA. She loves playing the piano and painting.

