

FORM A

**PURSUANT TO CLAUSE 31 OF THE LISTING AGREEMENT
COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED
WITH THE STOCK EXCHANGES**

1.	Name of the Company:	Advanta Limited (Formerly Advanta India Limited)
2.	Annual financial statements for the year ended	December 31, 2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not applicable

Note: The Company has taken a view that as there are no qualifications in Auditor's report of listed Indian parent company financial statements, Form A is to be filed with the stock exchanges, even though the auditors' report contains qualifications in the consolidated financial statements.

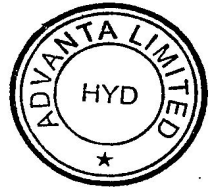
**For S. R. BATLIBOI & ASSOCIATES
LLP**
ICAI Firm Registration No. 101049W
Chartered Accountants

For Advanta Limited


Vinod Sethi
Chairman – Audit Committee

For Advanta Limited


Venkatram Vasantavada
Whole-Time Director





per Shankar Srinivasan
Partner
Membership No. 213271
Statutory Auditor


B Sharat Chandra
Chief Financial Officer

21ST ANNUAL REPORT
2014



Advanta- edge

What makes Advanta advantageous to the world...

Global food security is threatened

Changing climate
Increasing population
Declining soil fertility
Rising crop disease
Growing farm costs
Depleting water table
Soil erosion



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Advanta is engaged in business with a singular objective: to enhance farming viability.

Reinforcing its commitment

To service farmers

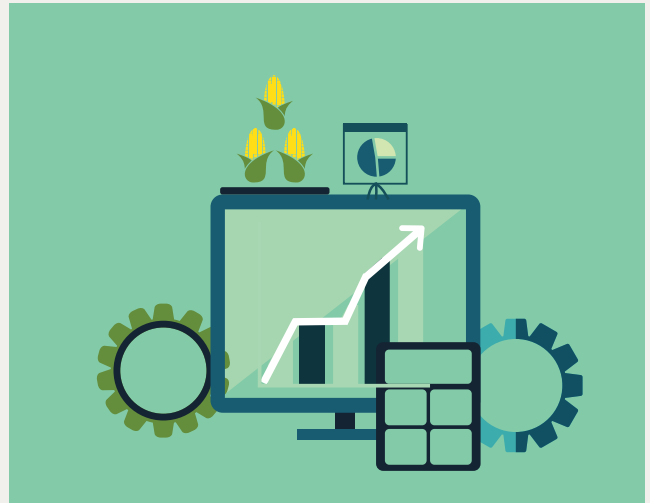
To be advantageous to the world

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Advanta not only enriches farmers.
It lends a helping hand to humanity.

For investors

A profitability growth that generates higher returns and enhances stakeholders value.



For employees



Superior career opportunities that enhance people retention and organizational knowledge.

For farmers and customers



Higher productivity

- Protects farmers crop through disease tolerant seeds.
- Enhances income and investment returns.

Higher crop availability enhances food security and moderates inflation.



The international seed sector is growing at 6% per annum.

The Indian seed sector is growing at 14% per annum.

Advanta is growing consistently and outperforming the industry growth, making it one of the leading seed companies in the world.

Our values



Our vision

Driving Sustained Growth through World Class Plant Genetics & Innovative Technology

Advanta at a glance; ₹143,154 lacs of revenues (FY14)

- Advanta Limited is India's first transnational Plant Genetics Company.
- The Company is engaged in the research and development of hybrid seeds using superior proprietary germplasm and advanced intellectual property.
- The Company utilizes Molecular Marker Technology, while building value-added biotech traits through seeds.
- The Company operates as an associate Company of UPL Ltd., one of the fastest-growing and among the most profitable generic agrochemical companies in the world.
- The Company enjoyed a market capitalization of ₹300,614.21 lacs (as on 31st December 2014); the Company is listed on the National Stock Exchange and Bombay Stock Exchange; the promoters hold a 66.17% stake in the Company (as on 31st December 2014).

Wide product portfolio; Global presence

- Advanta possesses a wide and diversified product portfolio.
- Globally present in all continents of the globe such as US, Mexico, Argentina, India, Brazil, Europe, CIS countries, Thailand, Australia and Indonesia and exports seeds to more than 25 countries all around the world.
- The Company's products are marketed under the Advanta, Pacific Seeds, Alta Seeds and Golden Seeds.
- The Company has demonstrated a distinctive market leadership in sorghum (grain, forages and sweet).
- The Company enjoys global leadership in crops like sorghum, sunflower, sweet corn, field corn, canola and significant regional presence in vegetables and rice.

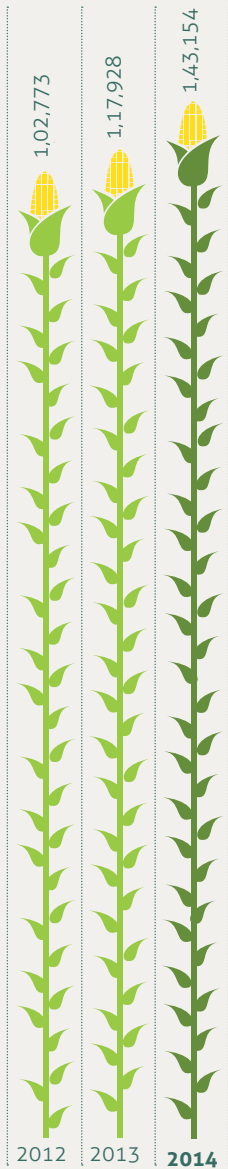
Strong researchers; successful innovations

- Advanta employs the services of the most experienced research professionals across our R&D centres. The Company employs a strong team of professionals addressing the needs of farmers across the world.
- The Company has state-of-the-art hybrid seed manufacturing capabilities and makes it possible to deliver quality seeds to the farmers.
- The Company has technological collaborations with strategic partners.
- The Company continues to invest significantly in research and development.

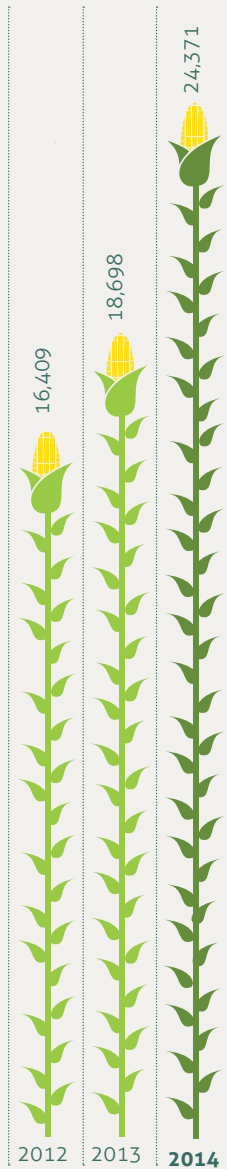


This is how we performed from 2012-2014

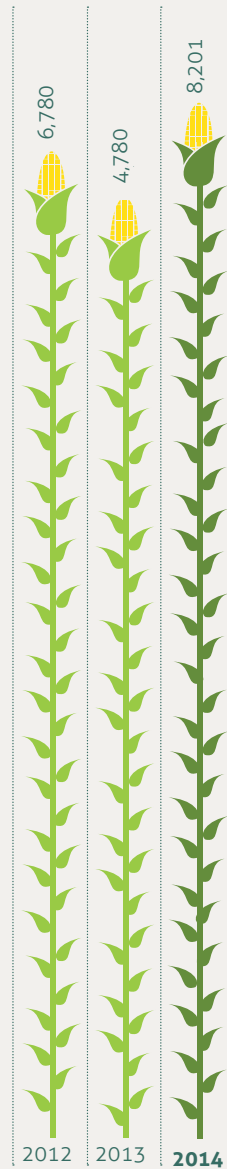
Revenue (₹ in Lacs)



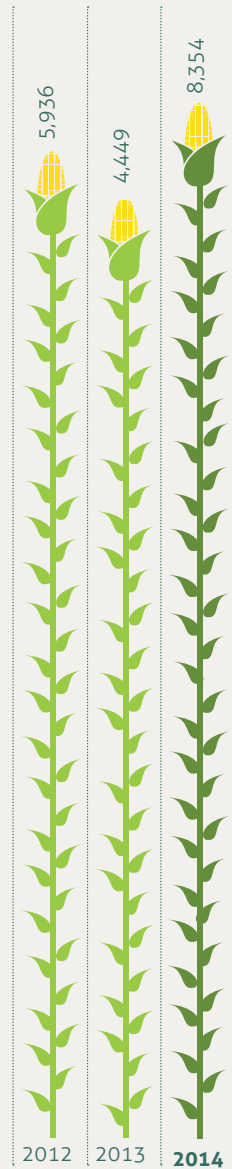
EBIDTA (₹ in Lacs)



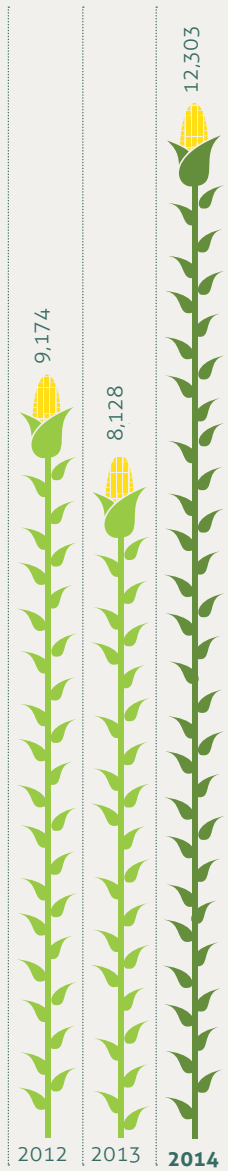
PBT (₹ in Lacs)



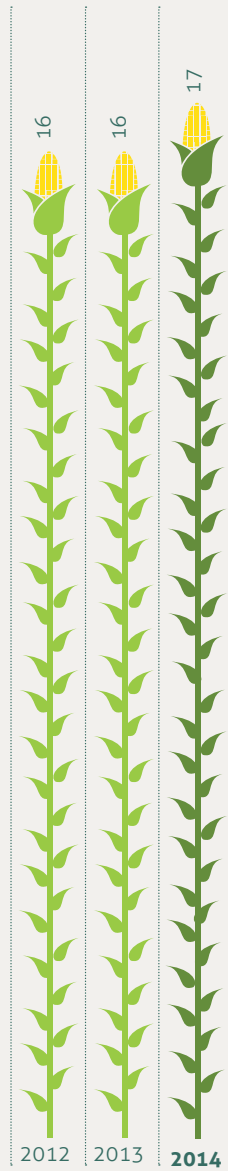
PAT (₹ in Lacs)



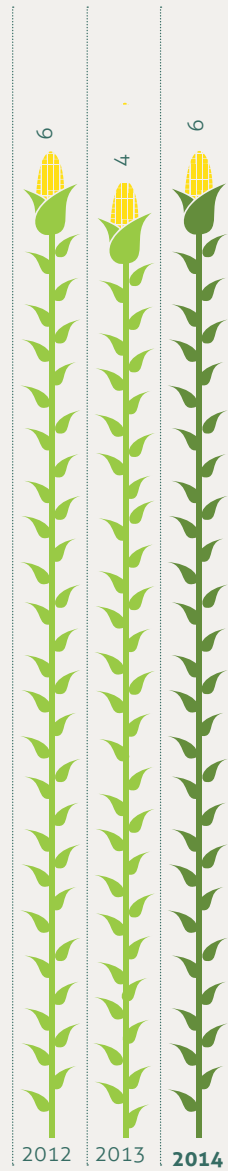
Cash profit
(₹ in Lacs)



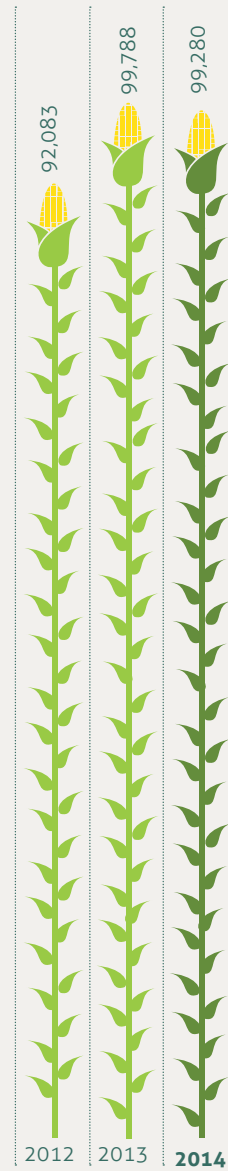
EBIDTA margin
(%)



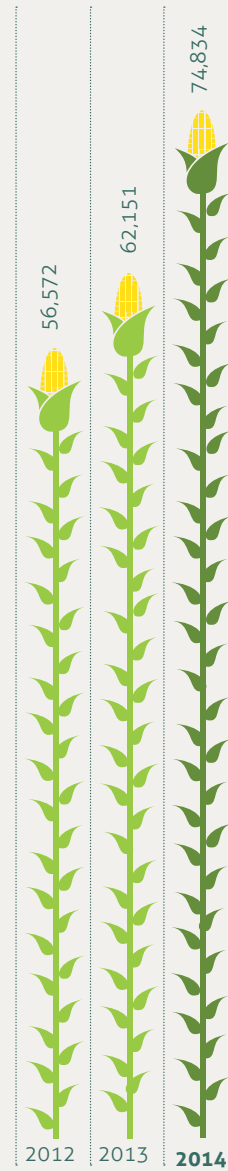
PAT margin
(%)



Gross block
(₹ in Lacs)

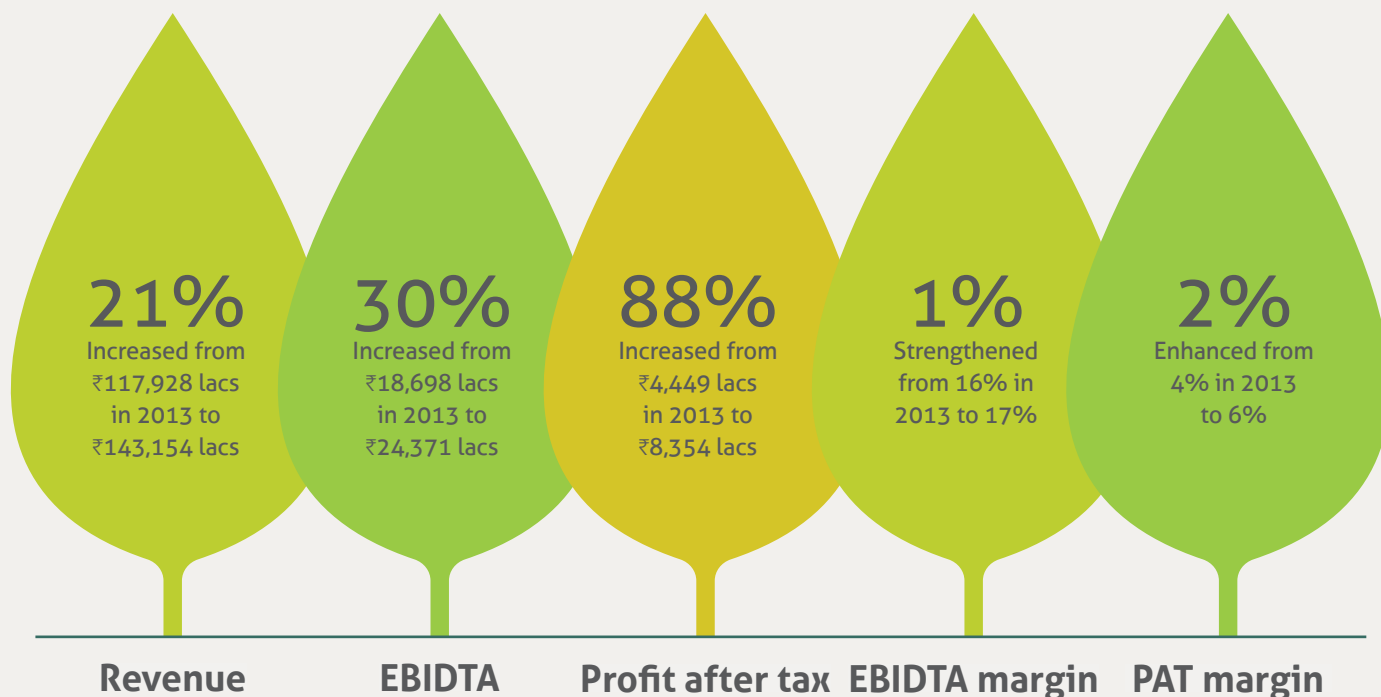


Net worth
(₹ in Lacs)

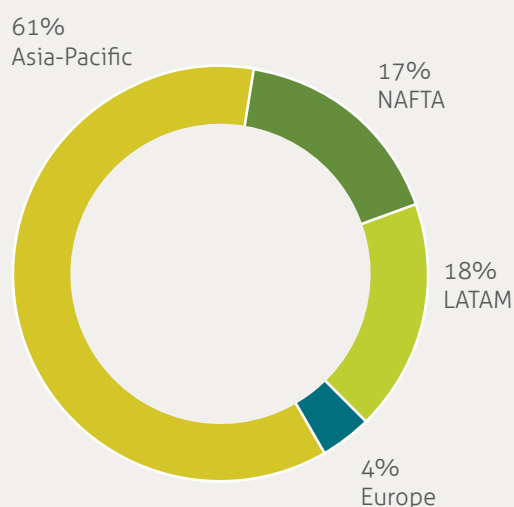


Advanta reported one of its best financial performances.

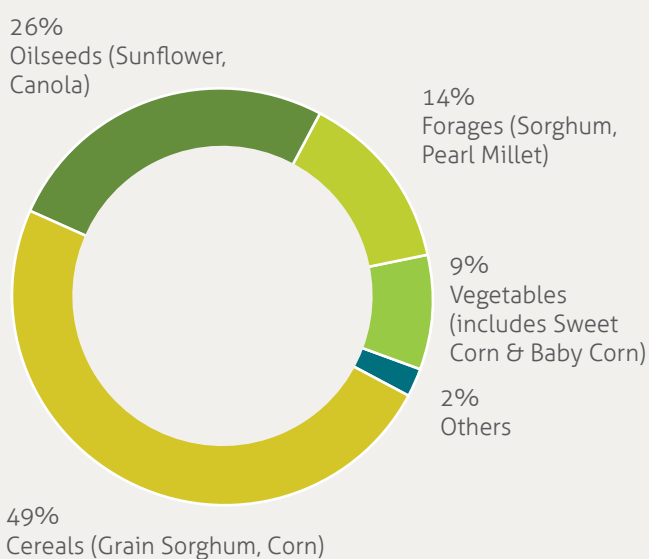
Financial highlights



Revenue break-up (geography-wise)



Revenue break-up (product-wise)



Shareholder value

	2014	2013
Book value per share (₹)	88.70	73.69
Market capitalization (₹ lacs)	300,614.21	97,626.24

What we produced

Sorghum	Sunflower	Corn	Canola/Mustard
<p>World leader with 26% market share.</p> <p>Major breeding programs in USA, Argentina and Australia.</p> <p>Global exclusive license for GM traits-NUE, Drought and Salt.</p> <p>Caters to grain, forage and bio-fuel related requirements.</p>	<p>Leadership position in Pakistan & other key sunflower geographies worldwide.</p> <p>Well Established breeding program.</p> <p>Wide presence in conventional high oleic & high oleic high stearic (Nutrisun) Sunflower.</p>	<p>Brand leaders in Thailand, Bangladesh, Sri Lanka, Indonesia, Ecuador, Peru, Columbia, US, Australia, Argentina and Brazil.</p> <p>Building presence in African countries.</p> <p>Depth & width in corn, tropical and subtropical germplasm and building base for temperate markets.</p> <p>Major breeding programs in Thailand, Argentina and Brazil.</p> <p>GM corn in Philippines, Argentina and Brazil.</p>	<p>Leaders in Australia, Brazil, India and South Africa.</p> <p>Wide spectrum of herbicide tolerant technologies.</p> <p>First Company ever to develop and launch first Indian mustard hybrid.</p>

Rice	Wheat-Longreach	Fresh corn	Vegetables
<p>Geography specific breeding programs.</p> <p>Strong player in India and building presence in South and South east Asia.</p> <p>Wide range of germplasm collection.</p> <p>Strong product pipeline.</p>	<p>Australia's first globally-resourced and locally-operated commercial wheat breeder.</p> <p>Commenced operations in 2002 and by the end of the 2014 season, released 20 varieties into the Australian market.</p> <p>Tie-up with Syngenta.</p>	<p>Expert breeding program in Sweet/Baby/Waxy corn.</p> <p>Leadership position in South Asia and SE Asia.</p> <p>Gaining foothold in Africa.</p> <p>Products rated high on yield, brix percentage and blight tolerance.</p>	<p>Centre of Excellence in Bangalore & Sonipath Trialing Station in Egypt</p> <p>Tomato: Breeding programs in Ty summer, Ty rainy, Beef type, Rio grande.</p> <p>Focus on virus, bacterial tolerance and improved heat set.</p> <p>Building presence in Egypt and Middle-east.</p> <p>Okra: Strong YVMV and OLCV tolerance.</p> <p>Great success in India.</p> <p>Pepper: Leadership position in Big Chilli Segment in India.</p>

CEO's message

Dear Shareholders,

The financial year 2014 has been a very challenging year on a number of fronts.

We are happy to report that your Company has responded to these challenges very well and has been able to register a growth of 21% on revenues to ₹143,154 lacs, 30% on EBITDA to ₹24,371 lacs and 88% on PAT to ₹8,354 lacs.

During the year, we have grown significantly in US, Mexico, Brazil, Venezuela and Europe and have maintained our market share in Australia, Thailand, Indonesia, Argentina and other countries of Latin America. We are building up businesses in Europe, Brazil, Indonesia, India and Latin America.

Cropwise, Sorghum contributed about 40%, Corn - 23%, Sunflower-15%, Canola - 11% and Sweet Corn - 6%.

India also achieved creditable numbers as the Company's forage business enjoyed a strong competitive position in some important markets. Some of the crops in India have emerged as trademarks thereby positioning Advanta as a favored choice among the customers.

In the US, we have moved our business from a private label to branded business and we were able to introduce genetics and provide high value to growers. We have registered impressive growth in Mexico, particularly in sorghum. We are going to start selling GM corn in US markets.

We have been growing in every single region of the world and running our business in a much profitable way, thereby enhancing value to the stakeholders.

We faced challenges in Thailand due to drought and uncertain political conditions and Europe slowed down due to uncertainty in the CIS region.

At Advanta, we have been delivering on our commitments to run a more profitable organization. Our international business has been growing incrementally and we expect



a lot of contribution from different countries helping us to deliver another good year.

Advanta is a long-term investment company, some of the markets bring much growth for us, but there are also some markets where we are investing at this point of time, will give revenues in the next 2-3 years. Also, we have some intermediate markets that are starting to develop good numbers in line with our expectations.

Advanta is a hybrid seed company, where most of our revenues are from Hybrids. We have GM sales in corn mainly in South America. We have our genetics and are working on having elite genetics transform into GMO version.

The world needs more



At Advanta, a combination of genetics and technology will enable us to maintain good profitable position and increase our market share. We are putting in place a very sophisticated and unchallenged strategy where we combine all the geographies to achieve competitive advantage.

The global population is increasing more than 1% annually; food demand is increasing – needs to be doubled to feed the additional 3 bn population by the end of 2050. On the other hand, farm acreage remains stagnant as additional farmland carries a high environmental risk marked by the conversion of forest into farmland. The need of the hour is the increased use of high yielding seeds to enhance productivity. Advanta is working with the best of the science and technologies to address this challenge that the world is going to face in a few decades.

The seed industry will continue to grow in the coming years with a continuous demand for high-yielding and high-quality products.

We are very excited about the next year having a strong competitive position to service the farmers with higher productivity. We are very well-prepared to deliver Advanta products to growers and customers.

We continue to grow in Sorghum, developing some new areas in the Northern Hemisphere and other geographies in the coming years. Over the next 5 years, larger contribution

is expected from South America, Asia including India, Europe, Africa, Australia, US and Longreach.

Advanta believes that innovation is the cornerstone of sustainable development and focuses on strategic investments in research and development. We continue our research in our core crops, reinforcing the Company's positioning as a global market leader.

Looking ahead, we are attractively placed to grow our business. We enjoy a multi-geography and multi-crop presence, which de-risks us from an excessive dependence on any country or crop.

I would like to share my optimism on the quality of our product portfolio and also appreciate the talent of our people which makes a perfect combination to deliver value to each of you. I am committed to drive the Company on its value growth and seek your continuous support during the journey.

I take pleasure in thanking all of you for your support, continued effort and understanding. We had a very good year and we are expecting to have a continuous growth and sustainable business over the coming years.

The best is yet to come.

Regards,

Claudio Torres

Global Chief Executive Officer

Business model

Profit centric

Focused on improving profitability to ensure higher re-investment and long-term business sustainability

Collaborations

Strong technology tie-ups across the globe to ensure better quality product leading to higher productivity

Quality

Strong proprietary technologies leading to better germplasm quality and higher productivity

Synergy

Being a part of UPL helps in leveraging the supply chain all over the world as well as building products with better acceptance of crop protection chemicals

How our business model translates in numbers

[**1.29x** | Outperforming the Indian seed industry growth in 2014]

[**3x** | Outperforming the Global seed industry growth in 2014]

Financial management

Despite 119% increase in revenue, debt increased 58% in the last five years, maintaining gearing at 1.28 and interest cover at 2.54x (2014)

Solutions provider

Integrated crop solution provider for improved field and vegetable crop seeds and chemical solutions at different stages

De-risked

Multi-product and multi-geographic business made the Company independent of climatic and geographic vagaries

Segments

Ability to work on profitable segments which are not crowded and has attractive opportunities

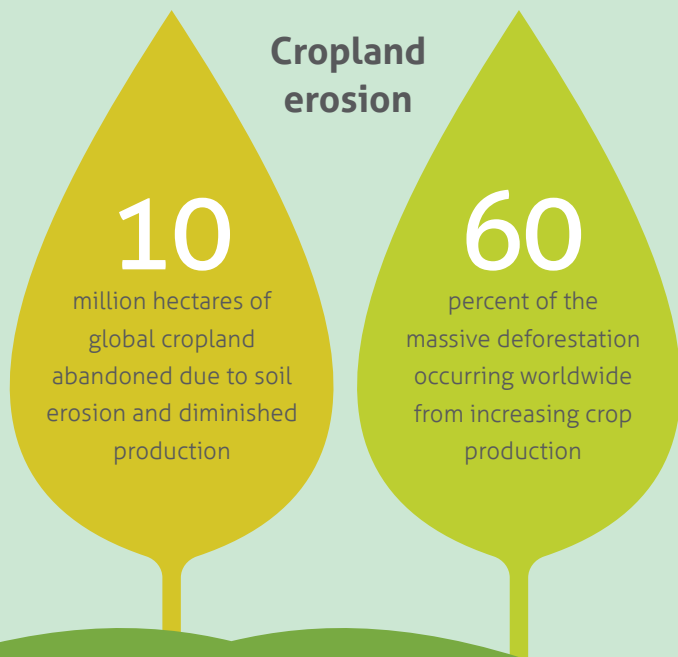


Numbers that matter

Cropland availability per person



Cropland erosion



Growing demand

10,000 years

Total food produced in the past will be produced in the next 40 years to meet the growing demand.

1bn

Hectares of land to be cleared for agriculture to meet the growing food demand by 2050.

Climatic changes

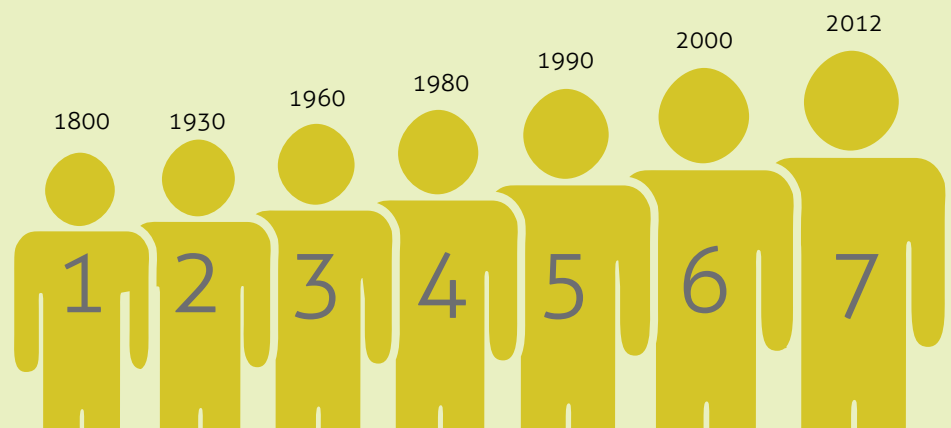
0.85°C

increase in global temperature between 1880 and 2012

70%

Global water use for irrigation – the world needs agro-solution for lower water usage

Global population growth (in billion)



01 BUSINESS SUPPORT Research and Development

Overview

Advanta believes that innovation is the cornerstone of sustainable development and focuses on strategic investments in research and development. Over the past decade, the R&D department of the Company has helped Advanta grow significantly. The R&D team has technical tie-ups with various universities, private/public institutions across the globe in order to utilize their expertise and technology in various projects.

The R&D team focuses solely on products and regions with considerable scope and not populated by bigger players. This allows the Company to strengthen and expand in its selected areas.

As a policy, Advanta invests about 10% of its revenues towards R&D which has helped it increase its revenues from ₹28,650 lacs in 2006 to ₹143,154 lacs in 2014.

Focus areas

Global – tropical/subtropical corn (field corn and fresh corn), sorghum (forage and grain), sunflower and canola.

Regional – rice, vegetables, cotton, mustard.

Major breeding programmes:

The Company focuses to invest in research and development to blend traditional breeding with cutting edge technologies like QTL Mapping, Candidate Gene Strategy, Association Mapping etc., in order to develop superior hybrids and inbred varieties that are high yielding under optimum input use and stress environments.

India

Advanta's R&D efforts have resulted in release of high value hybrids in Field Crops viz. rice, mustard and cotton (4 Hybrids) & Vegetables viz. okra, gourds, melons, cabbages & beet root (8 Hybrids).

Thailand

Thailand, which is Advanta's 'Centre of Excellence' for corn, has successfully commercialized one hybrid this year. The pipeline for corn (field and fresh) hybrids looks promising and has already exhibited its excellence during numerous trial performances.

Indonesia

In Indonesia, Advanta strengthened its portfolio by launching two new hybrids of corn.

The R&D team works in close coordination with the production team to ensure that the hybrids are produced cost-effectively. The R&D team also focuses on its own strengths by licensing technologies which are already available in the market and in which large companies have already made significant investments.

Strengths

- The R&D team integrated cutting-edge biotechnology into its core operations thereby resulting in enhanced competitiveness across such diverse verticals like molecular technology, pathology and tissue culture among others. This helps Advanta in devising proprietary technologies consequently helping it to reduce the time taken for commercializing a hybrid. Besides, it also introduced technologies which nullify the adverse impact of herbicides on crops like canola. It also developed a technology to boost oleic content in sunflowers.
- The R&D team comprises competent personnel from the field of biochemistry, biotechnology, agronomy, mathematics, statistics and other verticals to help in developing superior products.
- The R&D team has created proprietary technologies which helped it in developing better quality hybrids resulting in market leadership across various products in different regions.

2014 Highlights

- Introduced 16 new hybrids in segments in global and regional crops.
- Pioneered a corn hybrid for the Brazilian market and field-tested it successfully.
- Moved the entire breeding programme database to a centrally-located IT platform, thereby ensuring that in case of an accident, all information remains safe and secure.
- Increased corn hybridization efforts in Brazil and India.



- Established mega-environment breeding targets to maximize efficiency with a focus on agro-climatic conditions rather than national borders.
- Expanded marker assisted selection, especially, in core crop breeding programmes - corn, sunflower, sorghum by forward and background selection.
- Enhanced investments in core crops to boost speed-to-market and improve data quality and analysis.
- Strengthened the stats/bioinformatics function to secure the quality of data collection (handheld), analysis, information access and backup.
- Implemented a new system across all crops to develop scoring and data collection effectiveness.
- Joined the sunflower and NutriSun programmes to maximize cost efficiencies.
- Set up a trait introgression team (GM and non-GM crops) and station in Brazil and consequently strengthened interaction with the MAS team.
- Consolidated its position at the top of the list to receive new commercial GMO events.
- Expansion of Thailand station and new traits (stalk/ear rot).
- Increased the frequency of resistant lines for key sunflower traits for the European market.
- Continue to lead the herbicide-tolerant package in canola in Australia. Maximized the advantages of proprietary TT herbicide resistant traits and blackleg tolerance.
- Successfully changed to a new Mustard CMS system to increase level of hybrid seed production.

Road ahead

- Conduct studies to assess the market requirements in the geographies of Advanta's presence.
- Continue research in sorghum, reinforcing the Company's positioning as a global market leader.
- Focus on developing proprietary technology in the global crops which will differentiate Advanta from its peers (i.e. herbicide resistance, digestibility, pathogen tolerance, among others).

Focus areas

Grains	Oilseeds	Vegetables	Cash crops	Fruit and others
Rice, Corn, Sorghum	Canola, Sunflower, Mustard	Tomato, Cauliflower, Sweet Pepper	Cotton	Watermelon

02 BUSINESS SUPPORT Supply Chain Management

Overview

Advanta supply chain operates in more than 15 countries across the globe with production facilities in eight countries. Hence, the supply chain plays an important role in integrating the entire operations of the Company.

For ease of access, the Company has divided its operations into a number of subsidiaries. The supply chain ensures that products are supplied to its end customers in time. To ensure reliability and quality, the division is expanding its production testing areas in 9 locations for potential expansion of supply sources and performance. It is also increasing investment including germplasm screening along with agronomic and management development to enhance productivity.

The Company is in the final phase of implementing an integrated supply chain software platform that will provide global real-time information and visibility of supply chain activities and production planning capabilities. The roll out will be completed within the first quarter of 2015.

The Company tied up with local players in production areas where it lacks a captive presence or sufficient capacity. These partnerships help it establish a foothold in these markets and experience before investment.

Strengths

- The Company's multi-location presence helps it respond to market requirements with speed.



- A commitment to technology investments helps the Company predict weather and crop patterns more accurately, resulting in superior inventory planning.
- The Company's robust supply chain helps provide uninterrupted product supply to customers.

2014 Highlights

- With growing business, supply becomes a challenge to support growth. The Company made strong forecasts to ensure timely supplies.
- Completed the licensing of the IT platform for global supply chain.
- Strengthened the management group with production planning and customer relation roles to provide the platform for improved planning and inventory management.

Road ahead

- Going ahead, the Company is aiming to expand its resource base to support business growth.
- The implementation of supply chain software solution will assist in ramping up processes for accurate delivery.
- Continued evaluation of production environments will provide knowledge and understanding to support growth.
- Increased efforts in productivity and efficiency through investment in people, process and equipment will ensure continued operational gains.



03 BUSINESS SUPPORT Branding and Marketing

Overview

Branding and marketing enhances product recognition and helps in positioning the product globally. The Company's brand strategy is aligned with its 'Vision 2020' roadmap and its customer needs.

The Advanta brand is positioned around global reach, use of modern technology, wide crop presence, promising germplasm capabilities and agricultural solutions.

The Company possesses four brands – Advanta, Pacific Seeds, Alta Seeds and Golden Seeds, addressing diverse segments. As a unified strategy, the Company has created a standard pack design across all its branded products.

2014 Highlights

- Created the Vision 2020 roadmap.
- Strengthened our strategic crop portfolio and ventured into the sorghum, corn, canola and sunflower spaces.
- Aligned the R&D focus on strategic markets.

Road ahead

The Company's branding and marketing teams will align branding in line with the overarching 'Vision 2020'.

Core branding philosophy



04 BUSINESS PARTNER Human Resources

At Advanta, our human resources function works as a partner with other functions to enhance the business interest. The key role of HR is to enable and support the business to acquire, develop and engage essential talent and manpower, effectively managing them through framing strategies and initiatives towards the achievement of the Company's goals.

We continued in our drive to strengthen our HR presence across the business during 2014. There have been significant changes in the HR structure and the scope of this key function for Advanta business. The global Company's HR goal is to partner with various operational departments and with the business to maximize the value adds through our people.

We strive to have the right people, with the right skills and knowledge, at the right time. We aim to create an environment

that allows our teams to excel, building on their strengths and working towards developing their knowledge and skills to be more effective in their roles by offering development opportunities.

Our recruitment process is focused to find suitably skilled people at all times. Advanta aspires to induce a high level of autonomy and flexibility for the employees to excel. We encourage a flexible work environment by allowing individuals to balance their work and personal needs.

At Advanta, we have a structured recruitment policy that ensures that only the best talent is selected. We focus on following a consistent and legally-compliant process to appoint the most suitably qualified candidate for the job.

We welcome applicants from both genders and of any ethnic origin and nationality. We have a diverse workforce and will continue to promote to bring it to higher levels.

The on boarding program focuses on ensuring any new employee joining the business is welcomed in a friendly, yet professional manner, and is provided with all of the necessary information and resources to transition into their role as quickly and effectively as possible.

Advanta is an ongoing incubation centre for employees. We conduct internal training in job skills and have identified potential leaders at different levels, exposing them to wider opportunities.

Our Learning and Development focus is on providing development opportunities for all employees in ways that are consistent with individual and business needs and objectives.

By identifying high potentials and rewarding high performers, the Company encourages a culture of learning and continuous development. We aim to work as a team by aligning employee objectives with the business strategy to drive business outcomes and to build on individual motivation and engagement.

During 2014, HR continued to enhance the internal performance management process, along with reinforcement of remuneration structures to deliver fair and robust rewards to our employees.

The performance management philosophy focuses on providing guidelines to the expected standards of behaviour and competencies required for individuals to meet business expectations. Additionally, it sets out the need for individual objectives being linked with the overall business strategies.

Advanta understands the importance of relationship and behavioral components as crucial factors for business growth. Our focus has been on delivering fundamental training, including DISC training and emotional intelligence training as these focus on understanding relationships and

behavior. The principal focus of these initiatives has been to improve business performance and to ensure compliance.

Going forward, we will focus on a wider global people strategy and aim to create a global HR framework that brings every HR activity into a single platform that will focus on talent management, learning and development and talent acquisition.

We also expect to further enhance our performance management processes to improve productivity, organizational motivation and engagement through connection with our business strategy.



Shelia Wagner, Plant Operations Manager, Advanta USA

05 BUSINESS SEGMENT Vegetable seed business

The Company's vegetable research strategy is focused on the in-house breeding of tomato, okra, eggplant, hot pepper, cauliflower, gourd, watermelon and sweet corn as well as strategic tie-ups with partners.

Bengaluru is the Company's centre of excellence (COE) for breeding tropical/subtropical segments of focus research crops while Sonipat is the COE for Brassicas. The COEs are supported by satellite research sites in India (Pune, Hyderabad, Guntur and Bhubaneswar) and Thailand.

We have a screening station in Cairo which provides a good platform for carrying out adaptability tests for vegetable crops like tomato, eggplant and pepper under different climatic conditions of Egypt.

India

Advanta's flagship brand Golden Seeds is one of the major players of the Indian vegetable seeds industry, focused on increasing productivity and incomes.

Golden Seeds is a farmer-centric brand with the robust product portfolio, enriched by the annual edition of several value added products. The brand's track record reflects consistent quality improvement. Testimonials from farmers across the country show how Advanta products have improved farm incomes. Advanta enjoys a dominant market share in tropical cauliflower, beetroot and peas segments and is poised to make a quantum leap in high-value segments following the launch of okra and other novel hybrids.

Advanta's diversified portfolio comprises 25 crops and over 175 SKUs. To enhance focus the portfolio has been divided into strategic and opportunity crops, based on crop potential, germplasm strengths and research capabilities.

Some of the Company's major crops include tomato, hot pepper, egg plant, okra, cauliflower, sweet corn, bitter gourd, green peas, cabbage, cucumber, watermelon and beetroot among others.

Some of the Company's popular products comprise:

Crop	Popular varieties
Cauliflower	Shigra, Basanti 956, Rimzhim, GS 75 Imp, Mahima 80, GS 385, GS 85 Imp and GS 277
Cabbage	Goody Ball 65, Kirti, Euro 2, Varun and Border
Hot Pepper	Divyajyoti, Prajwala, Akansha and Super Mahajwala
Watermelon	Maharaja, Cool King 12, GS 285 and Red Sweet
Tomato	Vaishnavi 2082, Abhimanyu and Suruchi
Beetroot	Lalima, Sikandar and Red Globe
Peas	GS 10
Coriander	Super Green and Suhashini
Radish	Snow White 61
Carrot	Golden Rossy and County Red
Spinach	Harit Sobha
Others	Sweet corn – Hibrix 53 and Hibrix 39

Advanta's portfolio, further divided into segments based upon plant characteristics, fruit characteristics, sowing window and market potential. Over the next few years, the Company expect to widen its presence across most major crop segments, leveraging the value of its R&D programmes. Some of the core crop-based R&D focus areas comprise:

Crop	UPL research focus
Okra	High yield, easy picking quality, YVMV and OLCV resistance and cold tolerance
Tomato	High yield, uniform produce, TY tolerance and water-use efficiency
Hot Pepper	High yield, virus and wilt resistance and improved dry and fresh quality
Brinjal	High yield and more shelf life
Cauliflower	High yield, photo period and temperature insensitivity
Bitter Gourd	High yield and mildew resistance

To strengthen strategic focus, the Company launched Project VIBE (Vegetable crop Initiative for Brand and Extension Excellence) which emphasizes the following:

1. Consumer level demand generation.
2. Improved quality of products and services.
3. From 'features' based selling to 'benefits' based marketing.
4. Improved brand image

The Company reported the following achievements:

1. All Regions, all seasons:

Due to the diversification of old products in new geographies and an increasing focus on new crops, the Company reduced the arising out of depending on a



few major months and regions. The result is a diversified portfolio delivering across all seasons and all regions.

2. Okra

The Company was a small player in okra, catering to low-value segments. Following the introduction of brands like Venus, Taj and Mona, the Company has begun to penetrate the high-value segment. Today, okra represents an important part of growth potential and going forward, the Company expects to enhance its market share and premium pricing.

3. Cauliflower crop solutions provider

From a tropical cauliflower-based focus with a limited presence, the Company has stretched its portfolio to all major segments across the country. Following the introduction of new products, the Company has started capturing market share in temperate segments to emerge as a complete cauliflower crop solutions provider.

4. Green peas diversification

UPL-Advanta enjoys a leadership position in the Indian market for green peas through its flagship GS 10 brand. The Company identified the need to penetrate in the growing markets like Himachal Pradesh, Uttarakhand, Madhya Pradesh, Bihar and Jharkhand, etc., as every year acreages shrink or expand across saturated markets. The Company captured significant value in emerging markets, which not only helped increase revenues from the brand but also mitigated the risk of being dependent on major markets.

With the professional team in place, the Company is set to capture high market share and is striving to carve out a place among the top-three vegetable seed players in India.



International

Advanta's tropical tomato research program in India provides new offerings for high-value Egypt and Middle East markets, which is estimated at about US\$40 mn. Trials in Egypt for tomato, eggplant and pepper have demonstrated excellent results for its fit in the Egypt and Middle East markets. The Company now possesses three advanced tomato hybrids across high-value Egypt markets.

The Company also initiated in-house trial and evaluation in South Africa; it embarked on product testing in collaboration with business partners in Saudi Arabia, Jordan, Turkey, Sri Lanka, Bangladesh, Pakistan and other geographies, while exploring new geographies in line with its tropical products pipeline.

The Company's product development comprises global trials, focus on the Middle East, Egypt, Tunisia, South Asia (Pakistan, Bangladesh, Sri Lanka and Myanmar), Africa (Eastern and Southern Africa).

The Company's research-focused crops contribute around 30% to Indian revenues and 70% to the international market revenues. Other root crops (like carrot and radish), non-research focus crops like gourd (cucumber and squash) and OVPs etc., contributes to rest of the vegetables business revenue.

International vegetable revenues in 2014 reported significant growth of 65% with a concurrent growth in margins by 80%. From the focus research pipeline, especially for tomato, okra and pepper, the Company substantially improved its business revenues and margins by 59% and 85% respectively, contributing to 65% of the vegetables revenue from the international markets. The Company grew its presence in South East Asia and Africa, an opportunity-based business model for the Middle East and other small markets. The Company operates across 16 international markets offering a diversified portfolio of more than 36 SKUs in 14 crops, the portfolio catering to nearly all major segments in the strategic crops segment.

The Company's products pipeline for the international markets comprised:

Crops at L5/L6 Stage

Crop	SEA	ME/ Egypt	Africa	Other Asian countries
Tomato	10	4	2	1
Eggplant		3		1
Hot pepper	1	2		1
Okra	3		1	
Watermelon	4		1	
Cauliflower		2		
Gourds	1			
Sweet pepper	1			

Products ready for commercial launch

Crop	SEA	ME/Egypt	Other Asian countries
Tomato	1	1	1
Eggplant		1	
Hot pepper	1	1	
Okra	1		2
Watermelon	2	1	
Cucumber	1		



06 BUSINESS ANALYSIS Regional business review

Asia

Advanta enjoys a strong presence in crops like corn, canola, sunflower, rice, forages and sorghum. The major markets served by the Company include India, Thailand, Indonesia and Vietnam among others.



Unfavourable weather conditions on account of the El Nino effect led to an unpredictable market environment, which was countered by proactive planning, inventory management, introduction of superior genetics, appropriate marketing and distribution strategies which helped to maintain a leadership position in Thailand, Sri Lanka, Bangladesh and Taiwan in the tropical yellow corn segment.

Advanta doubled volumes in the newly-opened markets of Vietnam; grew in Indonesia in spite of supply chain limitations. Its PAC-740 hybrid is gaining popularity in the rain-fed markets of India for its wide adaptability and grain colour. The Company's dominance in the fresh corn segment in South East Asia continued into 2014. Field corn and fresh corn were the highest contributing crops to regional business revenues.

Oil-seeds (sunflower, mustard and canola) were key crops in select geographies. Advanta continue to maintain its sunflower leadership position in Pakistan because of a

strong distribution network and superior genetics. Sunflower reported a 5% value growth over the previous year. The Company is developing the sunflower market in Bangladesh and canola in India and Pakistan, providing alternative and profitable cropping solutions.

The forage business in India took off significantly, establishing Advanta as a forage specialist. The Company continued to hold its leadership in specialty forages in India and Japan, while continuing to develop new markets in Vietnam, Bangladesh and Pakistan. The medium-term objective of the Company is to transform from a forage specialist into an animal nutrition solutions organization.

Hybrid rice, a legacy crop, gained share in Eastern and Northern India. Advanta also introduced new hybrid varieties in 2014. It worked closely with provincial governments and developmental agencies in different PPP projects to improve farm productivity and the farm incomes of marginal Asian farmers.



Thailand Overview

Advanta operates in Thailand through its subsidiary, Pacific Seeds (Thai) Ltd (PacThai) which is Advanta's *Centre of Excellence for Tropical Corn & Fresh Corn*. Presently, the Company is the market leader in seed business in Thailand. It has an excellent Research and Development (R&D) team to maintain Company's market share. Over the years, the Company has been consistently introducing new add-ons to the product list, thereby creating one stop shop for Hybrid Seeds market.

PacThai has been producing high yielding tropical hybrids for more than 34 years. The breeding team has put in a lot of effort to develop elite corn germplasm. The hybrids with high yield, good stability, high shelling percentage and adaptability to diverse environments make them suitable to be launched successfully in most of the south and south eastern Asian countries.

The total corn segment accounts for the largest share of the Company's business. In 2014, about 92% of the total revenues came from this segment. The Company is also a market leader in sunflower and sorghum crops in Thailand.

2014 Highlights

- Maintained its leadership in all the products in Thailand.



- Successful introduction of the field corn hybrid with 777 and 559 variants to mitigate the ear rot hybrids issues in the earlier hybrids, thereby continuously focusing to fulfill the needs of the farmers which is one of the Company's strategic objectives to maintain and enhance its market share.
- Sweet corn Hibrix 53 gained 60% market share in cannery segment in the north of Thailand. The hybrid offered very high yield potential and good eating quality under high pressure of leaf blight disease.
- The exports arm of PacThai had been very successful in meeting the demands of South American countries such as Ecuador, Peru; as well as countries like Indonesia, Pakistan, Vietnam, Colombia, Bangladesh and India.

Outlook

The Company successfully raised its market share during the current year in Field Corn, Baby Corn & Sweet Corn segments to 22%, 65% and 60% respectively. The Company is poised to further increase its market share to 33%, 80% and 64% in the aforesaid segments respectively by the year 2020.

In an effort to widen our distribution circle and capture newer markets, the Company plans to partner with local industry player and sell its products through them under their brand name. The marketing arm of PacThai is looking into the various aspects of this distribution model.



Africa

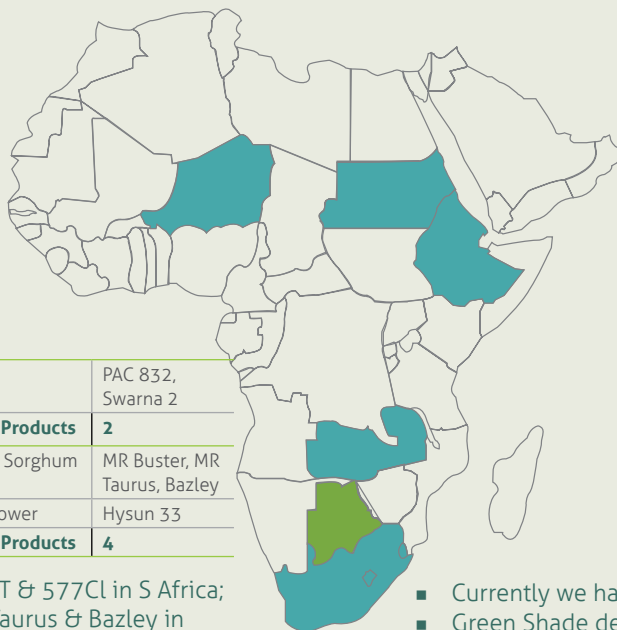
Advanta is committed to catalyze agriculture growth in Africa by providing efficient, innovative and value-added farm products and services. Through a team of qualified agricultural professionals, Advanta covered 18 countries in Africa. Advanta's direct presence in Africa provides access to farming communities, making it possible to customize product and service offerings. Advanta's collaborative African model comprises the following strategic interventions:

- Setting up robust commercial operations, including production and research.

- Collaborating with government agencies, NGOs and other relevant stakeholders.
- Offering better products with higher value in existing markets.
- Developing markets targeting OPV to hybrid conversion in sorghum.
- Accelerating forage development projects in Zambia and Rwanda.
- Partnering 3N programme in Niger.

The Company possesses 37 product registrations across six countries in Africa; it is already present in the key markets of Africa.

Current Status of Product Registration.



Niger	Rice	PAC 832, Swarna 2
	Total Products	2
Botswana	Grain Sorghum	MR Buster, MR Taurus, Bazley
	Sunflower	Hysun 33
	Total Products	4

Canola - 599TT & 577CL in S Africa;
G Sorghum - Taurus & Bazley in Botswana

- Currently we have 37 registrations across 6 countries in Africa.
- Green Shade depicts countries with successful registrations.

N. Sudan	Grain Sorghum	PAC 501, PAC 537
	Sunflower	Aguara4, Hysun33
	Total Products	4
Ethiopia	Maize	PAC 781, Galaxy
	Sunflower	Hysun 33
	Grain Sorghum	PAC 537
	Total Products	4
Zambia	Maize	PAC 745
	Rice	PAC 801, 807
	Sunflower	Pac 36
	Forages	Nutrifeed, Sugargraze
	Total	6
RSA	Grain Sorghum	MR Buster
	Forages	Sugargraze, Nutritop Plus, BMR, Pearler
	Millet	Nutrifeed
	Sunflower	Hysun33, Aguar6, VDH487 & CF202CL
	Canola	Hyola- 50, 571, 575, 557, 599TT, 577CL
	Total	17

The Company's key crops and offerings in Africa include sorghum, sunflower, corn (white and yellow), canola, forages, rice and vegetables, leveraging robust technology development.

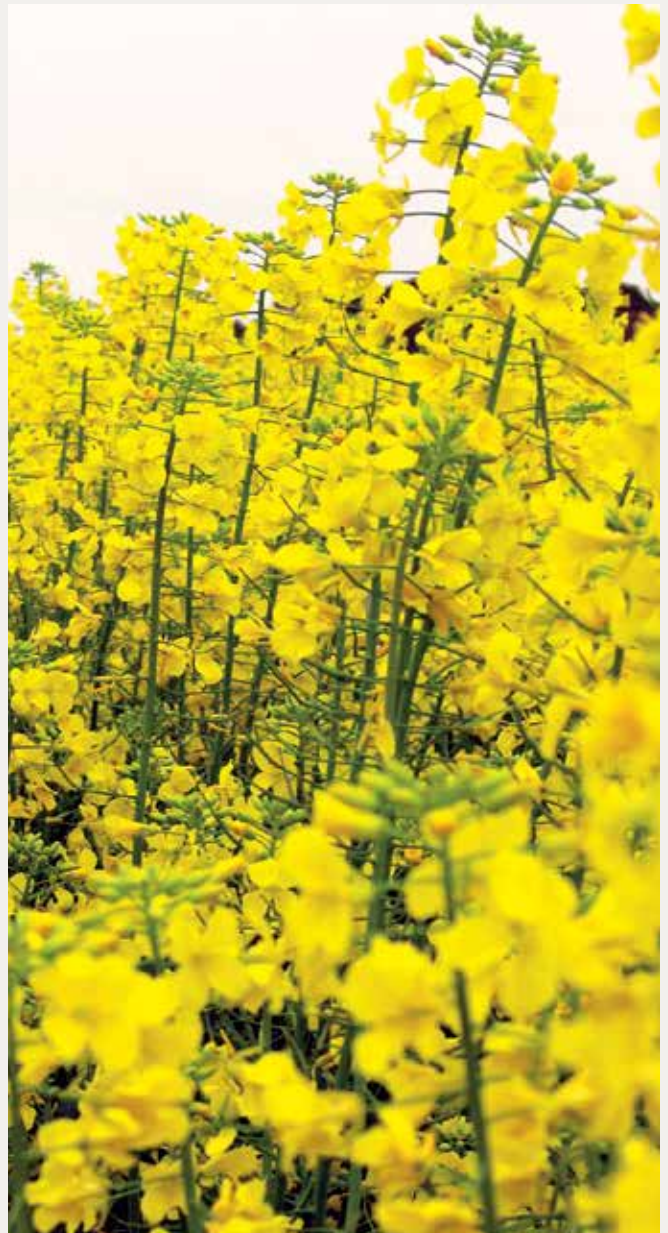
Advanta offers a range of forage hybrids from its research programmes in Australia, Argentina, the US and India, which help improve the milk yield of dairy animals. Advanta's sweet sorghum hybrid 'Sugargraze' is a leading hybrid in South Africa and Zambia.

Advanta's forage pennisetum 'Nutrifeed' is a unique offering due to its high protein stalks and multi-cut ability. The Company is working with commercial farms as well as small and marginal farmers to promote the use of new generation

sunflower and canola seeds in Africa. The response was encouraging and provided the Company's canola with a leadership position in South Africa. The Company is also working in a closed loop system in Zambia, Tanzania and DRC in sunflower.

Grain sorghum reported a significant revenue growth of 26% in Africa as Advanta's cutting edge hybrids reported yields of 2-2.5x compared with local varieties. This crop enjoys one of the largest acreages in Africa; Advanta provides seed and agronomic solutions to significantly improve yields. The Company is working closely with various African governments in developing this crop.

Canola is an important crop in the Middle East and Africa.



The Company enjoys a leadership position in this segment that contributed significantly to revenues and margin growth in 2014.

Some of the strategic initiatives undertaken to address Advanta's medium and long term growth plans include:

- Developing new markets for forages in Asia; expanding footprint in existing markets with new offerings.
- New market development in Africa (Niger, Botswana, Mozambique and Rwanda).
- Scaling TD efforts in Africa and Asia (testing and registration).
- Product value demonstration in the new markets of Indonesia and Vietnam.
- Aggressive field activities leading to demand generation, which includes product launches, on-field training, demos, field days and agronomy trials in Asia and Africa.
- Collaborations with key stakeholders (NGOs/government agencies) in Africa to improve small landholder productivity and farm incomes while gaining access to new markets.
- Direct distribution in Indonesia in addition to the national distribution model (Indonesia).
- Increasing market reach (one-stop shop Unimart in Cambodia as a product stocking outlet).
- Participating in international forums like IFPRI, India-Africa Conclave, Grow Africa and Grow Asia while

developing new projects to improve agriculture practices.

- Strengthening and investing in a supply chain in Asia-Africa.
- Making research investments in Africa (corn/sorghum) and India (forages/cotton).

Distribution model (GTM) - Asia and Africa

Advanta enjoys a multi-model distribution strategy in the Asia-Africa region, depending on the maturity of the local business, market evolution and long-term potential. This was reflected in the following realities:

- a) Partnering local agri-input companies who provide Advanta with distribution access and get provided technology and agronomy solutions in return.
- b) Direct marketing where we manage the distribution directly at a provisional level and invest in all sales and marketing efforts.
- c) Working on upstream and downstream channels, operating the closed loop system to develop new crops and solutions (canola in India and sorghum in Africa/India).
- d) Setting up Unimart, a one-stop shop in Africa, Asia and India, to provide farm advisory concepts including training, technology demonstration and transfer of all inputs.
- e) Starting PPP models – corn, rice, forages, sorghum (Niger, India and Zambia).



Europe

Overview

The European business including Eastern Europe and CIS countries is one of the key business areas for Advanta. The Company develops presence in Eastern Europe and is building on its strengths in Central Europe. The major crops in focus are sunflower and sorghum. The European research and development activity is carried out through the R&D centre in France and focuses on sunflower hybrids development which has huge potential in the coming years as more than 70% of the world-wide sunflower acreage is cultivated in the region. The European business has alliance for sorghum from Advanta US and Advanta Argentina and millet from Advanta India. Advanta US main business is sorghum driven and Advanta Argentina business is sunflower driven amongst others. The Company is therefore leveraging its geographical crop strengths like sorghum and sunflower to expand the growth in other geographies. Advanta France has taken steps in the area of supply chain and the European business unit is now self-sufficient for sunflower production which is based in Romania and France.

The Company leverages the UPL distribution channel in Western Europe for selling its products in various markets. The Company has also partnered with local seed marketing companies to distribute its sorghum seeds under private labels.

2014 Highlights

- Registered growth in revenue over 2013 largely in sunflower.
- Successfully registered and commercialized a new sorghum variety in Russia.
- Implemented a pilot project for sorghum seed production in the European region.
- Developing disease-tolerant sunflower seed for the European region.

Road ahead

The Company will be increasing its investment in the European business, especially in Eastern and the Central Europe, which possess high growth potential. The Company is focusing on sunflower hybrids and is targeting to have a 5% market share by 2020. The Company possesses a strong portfolio for sorghum which is drought and disease-tolerant, making it a strong competitor in the sorghum seeds segment in the European region. Sorghum is also emerging as one of the alternative forage and rational crops, giving Advanta an edge over its peers.



America

Overview

As the US began to emerge from a two-year drought, the agricultural scenario improved in that country along with Mexico. Corn and sorghum are the two major focus areas for Advanta in North America. The Company's branded sorghum comprises the majority of sales, accounting for nearly 55% of the total revenues. Export comprises nearly 15% of the US business with exports to countries in Europe and Asia.

2014 Highlights

- Registered good growth in revenues over 2013 mainly in sorghum and sunflower.
- Entered the California forage sorghum market (the largest in the country) with a better hybrid.

- Maintained product prices despite a decline in commodity prices.
- Entered the branded corn seed market with the brand 'Phoenix' for the South West of US.
- Initiated contracted agreements in the sorghum market and started marketing the products for increased sales.

Road ahead

Sorghum will be one of the key crops for Advanta in the US, a superior and economical alternative for beef cattle (provides better digestive abilities with lower input cost). The market has potential of growing 4x and the Company has new hybrids lined up for 2016 and 2017.



Argentina

Overview

Advanta Argentina is engaged in the business of developing and selling sorghum (grain and forage), sunflower, corn and canola seeds. Starting its operations in 1996, the Company is now the leading player in sorghum and is the 3rd largest player in sunflower in Argentina. The Company is key to Advanta's business growth in Latin America through domestic sales as well as exports to the regions like Europe, Africa and Asia.

The Company has created a strong distribution channel with about 350+ distributors to cater to wide range of geography of Argentina.

To continue the business growth, Advanta Argentina is focusing on development of GM corn business and at the same time bringing newer varieties in sorghum and corn. The Company expects to continue maintaining leadership in sorghum and sunflower.

Advanta Argentina has a market share of 38% for grain sorghum, 20% for forage sorghum and 20% for sunflower.

2014 Highlights

- Registered moderate growth in revenues over 2013 mainly in sunflower.

- Introduced three new products to the market.
- Initiated Sinergia Técnica, a joint platform between technical advisors and Advanta, to generate specific information about suitable agricultural practices to achieve the best application of technology and hybrids.
- Initiated a social media strategy and programs (for sorghum and sunflower) to communicate with the growers effectively.
- Participated and organized several marketing initiatives to promote brands and products.
- Strengthening logistics and communication channels while enhancing its presence across its point of sales.
- Started working with regional warehouses to have products closer to potential users to achieve effectiveness and efficiency.

Road ahead

The Company is focusing continuously to position Advanta as one of the top seed companies in the country by maintaining its leadership in sorghum and sunflower and enhancing its presence in corn.



Australia

Overview

Advanta Australia is positioned as the leading seed provider in the country, providing quality seeds for canola, corn, sorghum, sunflower and wheat, among others.

At every step in its value chain, from plant breeding to variety selection, seed multiplication to seed production, seed harvest to cleaning and packaging, selection of the agent network and support team to the way the customers are serviced and provided an extensive paddock trial program the Company aims to have a system that seamlessly works toward providing farmers with best quality seeds.

Because Australia is dry, the role of distribution is to have sufficient seeds treated and ready to be planted at the correct time without having large stocks. The Company emphasizes on improving its distribution network to ensure maximum possible market coverage.

2014 Highlights

- Registered growth in revenues over 2013 largely in sorghum and hybrid canola.
- Introduced 4 new seed varieties.
- Ensured response to all the customer support within 48 hours.
- Maintained close relationships with specialist seed retailers in all the crop production areas.

Road ahead

Advanta Australia is focused on supplying quality products that provide the best agronomic solutions to our customer's requirements. The company is taking a proactive approach to provide farmers with information in best practice management packages, helping them to achieve the best returns from our products.



Corporate Social Responsibility

Responsibility towards the community is an integral part of our decisions and actions - from environment-friendly agricultural products to a people-friendly market approach. The Company has responded to community needs through various initiatives across different verticals. Advanta does not see CSR as a mandate but takes initiatives to give back to society. The Company made a difference to community and the environment, through the following priorities:

INDIA

On 1st March, 2014, Advanta co-supported the Deaf Enabled Foundation to organize a fair in Secunderabad, Telangana, India. Children from various hearing impaired schools participated. The program brought children under one umbrella, making it possible to interact and play together.

On 24th June 2014, Advanta distributed text and notebooks among school children of Zilla Parishad Primary and High Schools, Vavilala, Telangana, India. The Company organized a small function and distributed 5,000+ notebooks to students of two local primary schools and one local high school, reaching out to over 300 students.

Advanta donated towards renovation of Mandal Parishad Primary School building in Kallakal village, Toopran Mandal in Telangana, India near our Processing Plant. Once completed improved facilities will be beneficial to all the children residing in the vicinity of the school.

THAILAND

On 27th August 2014, the School for the Blind and Multiple Disabilities at Lopburi, Thailand was donated with clothes and CCTV camera sets.

On 27th August, 2014, the employees volunteered in a blood donation program at Phraphuttabat Hospital, Saraburi Province.

On 26th November, 2014, the executives provided funds to the Red Cross Foundation of Saraburi Province to help improve the quality of life of seniors and the handicapped.

The Company donated sweet corn seeds to the Thailand government. The seeds were offered to farmers at a subsidized cost to promote sweet corn cultivation.



1 Book distribution in India 2 Blood donation camp in Thailand
3 CSR in Argentina 4 WTAMU tour in USA

On 1st August, 2014, the Company gave 10 scholarships to the best performing students of Sutee Wittaya School hailing from financially-weak families.

In 2014, contributed to support the 40-year event celebration of the faculty of Agricultural Production in Maejo University, (Chiang Mai, Thailand).

On 27th November 2014, the Company donated to support a sunflower tour season at Lopburi Town Hall. The Managing Director of Pacific Seeds conferred the sponsorship to the Lopburi Governor.

Sunflower fields are an attraction in Lopburi. The Governor of Lopburi Province embarked on a project to increase tourist inflow. In support of this project, PacThai's senior management executives visited the Lopburi City Hall on 2nd September 2014 and donated sunflower seeds. The sunflowers were subsequently used for ornamental purposes.

On 26th August 2014, PacThai handed sunflower seeds to the abbot of Wat Koalang Pattana to increase tourism.

On 19th August 2014, Pacific Seeds (Thai) Ltd. donated seeds for agricultural relief following Laos floods.

UNITED STATES

In 2014, Advanta's R&D team worked jointly with West Texas A&M University (WTAMU), Cal-Farley's Boys Ranch and others on a number of projects, fostering a sense of research and development with Advanta's technical help.

WTAMU students worked in collaboration with Advanta to grow their own test plot in Hereford. As a part of the project, the students assessed the viability of brightly colored, shiny and moving devices as bird repellents and also developed their own hybrid sorghum. Through this initiative, Advanta's processing and R&D teams jointly gave students the opportunity to tour and study various test plots and production facilities to learn operational techniques and processes.

The Company's human resource department conducted several mock interview sessions aimed at helping students practice interview skills. Similar sessions were held at WTAMU and involved junior and senior students in the School of Agriculture who are aspiring job seekers, allowing them to strengthen their interpersonal skills.

The Company volunteered in extending HR support initiatives to Cal-Farley's Boys Ranch, one of America's largest privately-funded child and family service providers, where high school-aged students enjoyed the chance to appear for mock interview sessions that helped them familiarize with interview experiences.

In 2014, Advanta North America donated to several charitable organizations including CASA, (an advocacy organization

for child victims of abuse or neglect), Moore County Junior Livestock Association and the Hereford Independent School District.

Advanta's human resources department supported Panhandle Human Resources Association (PHRA), a society to educate, train and provide a forum for communication for professionals in the human resource field. Michael Nesti, Human Resources Manager, was nominated to serve on the Board of Directors as Diversity Chairperson.

ARGENTINA

In Argentina, the Company organized Advanta Ayuda, a contest for rural high schools; the participating schools presented projects related to the environmental care. The 3 winning schools received a scholarship from Advanta to sustain the presented projects.

Continuing with the main objective of fostering education and with the involvement of teachers and students, Advanta's HR department delivered conferences on "In search of your first Job and Labour Insertion" for students of the last year in Rural High Schools.








The 'Recycle Helping in Advanta campaign' is continued wherein paper and plastic bottles were collected for recycling from all office and plant locations in co-ordination with specialized companies and local governments.

The Company conducted employee safety training programs which encompassed areas like safe driving, cardiopulmonary rehabilitation, safety in plants and offices and fire prevention.



Deaf children mela

Board of Directors

							
Jaidev R. Shroff Chairman	Venkatram Vasantavada Whole-Time Director	Vikram R. Shroff Non-Executive Director	V.R. Kaundinya Non-Executive Director	Hardeep Singh Independent Director	Vinod Sethi Independent Director	Dr. Vasant P. Gandhi Independent Director	Deepak Vohra Independent Director



Chief Financial Officer

Sharat Chandra B

Company Secretary & Compliance Officer

Pushpalatha K

Auditors

S.R. Batliboi & Associates LLP
Chartered Accountants, 14th Floor, The Ruby
29, Senapati Bapat Marg, Dadar (West)
Mumbai - 400 028, India

Bankers

Axis Bank Limited
Bank of Baroda
Barclays Plc
HSBC Bank
Kotak Mahindra Bank Limited
RABO Bank
Yes Bank Limited

Registrar and Share Transfer Agents

Sharepro Services (India) Private Limited
Samhita Complex, Gala No. 52 to 56
Building No. 13A-B, Near Sakinaka
Telephone Exchange, Andheri-Kurla Road
Sakinaka, Mumbai - 400 072

Registered Office

Krishnama House, #8-2-418, 4th Floor,
Road No. 7, Banjara Hills, Hyderabad - 500 034
Ph: 040-6628 4000

Corporate Office

6-5-249/5, 5th Floor, 501 & 502, ANR Center,
Road No. 1, Banjara Hills, Hyderabad - 500 034.
Ph: 040-6674 6651

Investor Contact

E-mail id: investor@advantaseeds.com
website: www.advantaseeds.com

Committees

Audit Committee

Mr. Vinod Sethi - Chairman
Mr. Vikram R. Shroff - Member
Dr. Vasant P. Gandhi - Member
Mr. Hardeep Singh - Member

Nomination and Remuneration Committee

Mr. Hardeep Singh - Chairman
Mr. Jaidev R. Shroff - Member
Mr. Vikram R. Shroff - Member
Mr. Vinod Sethi - Member
Dr. Vasant P. Gandhi - Member

Stakeholders Relationship Committee

Mr. Vinod Sethi - Chairman
Mr. Jaidev R. Shroff - Member
Mr. Vikram R. Shroff - Member

Risk Management Committee

Mr. Vikram R. Shroff - Chairman
Mr. Jaidev R. Shroff - Member
Mr. Venkatram Vasantavada - Member
Mr. V.R. Kaundinya - Member
Mr. Claudio Torres - Member
Mr. Manoj Gupta - Member
Mr. Sandeep Chowdhury - Member

CSR Committee

Mr. Vikram R. Shroff - Chairman
Mr. Hardeep Singh - Member
Mr. Vinod Sethi - Member
Ambassador Deepak Vohra - Member
Mr. Claudio Torres - Member
Mr. Manoj Gupta - Member

Plants

- B Camp Post, Krishna Nagar, Kurnool, Andhra Pradesh
- Kalakkal Village, Toopran Mandal, Medak District, Telangana
- Bharati Brahma Seeds, Nutankal Village, Medchal Mandal, Gundla Pochampally, R.R. District, Telangana

21st Annual General Meeting

Date : Thursday, 23rd April, 2015
Time : 10:30 A.M.
Venue : Hotel Taj Krishna
Road No 1, Banjara Hills,
Hyderabad - 500 034
Telangana, India.

Book Closure

Saturday, 11th April, 2015
to
Thursday, 23rd April, 2015
(both days inclusive)

Notice

NOTICE is hereby given that the **21st ANNUAL GENERAL MEETING** of the members of **ADVANTA LIMITED** will be held on Thursday, 23rd April, 2015 at 10:30 A.M. at Hotel Taj Krishna, Road No. 1, Banjara Hills, Hyderabad - 500 034, Telangana, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone financial statements of the Company for the year ended 31st December, 2014 including the audited Balance Sheet as at 31st December, 2014, Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the year ended 31st December, 2014 including the audited Balance Sheet as at 31st December, 2014, Statement of Profit and Loss for the year ended on that date and the Report of Auditors thereon.
3. To appoint a Director in place of Mr. Jaidev R Shroff (DIN: 00191050), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Registration No. 101049W) as Statutory Auditors of the Company and authorise the Board of Directors to fix the remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Registration No. 101049W), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office as such from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM, at such remuneration as may be agreed upon by the Board of Directors and Auditors."

SPECIAL BUSINESS:

5. **To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any,

of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Articles of Association, copy of which is placed before the meeting, be and is hereby approved and adopted in substitution, and to the entire exclusion, of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deed and things as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
for **Advanta Limited**

Place: Mumbai
Date: February 02, 2015

Pushpalatha K
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the item of Special Business set out in the Notice is annexed.
3. The Notice is being sent to the Members, whose names appear in the Register of Members/List of Beneficial Owners as on 13th March, 2015 and voting rights shall be reckoned on the paid up value of the shares registered in the name of the Members as on the said date.
4. A person can act as Proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

5. The instrument appointing proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
6. Members / proxies should bring the Attendance Slip duly filled in for attending the meeting. The form of attendance slip and proxy form are attached at the end of the Annual Report.
7. Corporate members intending to send their authorized representative(s) to attend the meeting or vote electronically are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
8. The draft Articles of Association of the Company will be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours, upto the date of the Annual General Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. The Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
11. The Register of Members and the Share Transfer Books of the Company will remain closed from 11th April, 2015 to 23rd April, 2015 (both days inclusive).
12. The certificate from the Auditors of the Company certifying that the Company's Employees Stock Option and Shares Plan - 2006 and Advanta Employee Stock Option Plan - 2013 are being implemented in accordance with SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 will be available for inspection by the members at the AGM.
13. Copies of the Annual Report 2014 are being sent through electronic mode to such members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by registered post.
14. The notice of the 21st Annual General Meeting is available on the website of the Company www.advantaseeds.com and website of CDSL www.cdslindia.com
15. Members desiring to claim previous years' dividend(s), which remained unclaimed, are requested to correspond with the Company Secretary at the Company's registered office. Members are also requested to note that dividends not encashed or not claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, shall as per Section 205A and 205C of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
16. Members are requested to send all their correspondence relating to the transfer of shares, dividend matters etc., to the Company's Registrars and Share Transfer Agents - Sharepro Services (India) Pvt. Ltd., Unit: Advanta Limited, 13AB, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri(E), Mumbai - 400 072, India.
17. Members holding shares in physical form are requested to notify/send any change in their address to the Company's Registrars and Share Transfer Agents or to the Company at its Registered Office. Members holding shares in dematerialized form are requested to notify/send any change in their address to the concerned depository participant (s).
18. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
19. Section 72 of the Companies Act, 2013 extends nomination facility to individual shareholders of the Company. Therefore, shareholders willing to avail this facility may make nomination in Form SH-13 as provided in the Companies (Share Capital and Debentures) Rules, 2014.
20. Members desirous of seeking any information as regards the accounts are requested to write to the Company Secretary at least 7 days prior to the Annual General Meeting, so as to enable the Company to keep the information ready.
21. The brief profile of Mr. Jaidev R. Shroff who is retiring by rotation and recommended for re-appointment is provided under the head **"Additional Information"**.
22. Members are requested to update their e-mail address with their respective depository participant to ensure that the annual report and other documents reach them on their preferred e-mail address.

23. E-VOTING

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 21st AGM. The Company has engaged the services of Central Depository Services India Limited (CDSL) to provide the e-voting facility.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on 10th April, 2015 (cut-off date) i.e., the date prior to the commencement of Book Closure Date, are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on 17th April, 2015 (9:00 hrs) and will end on 19th April, 2015 (18:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

The Company has appointed Mr. Y. Suryanarayana, Advocate to act as the Scrutinizer to conduct and scrutinise the electronic voting process in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

PROCEDURE FOR E-VOTING:

Instructions for members for voting electronically are as under:

A. In case of members receiving e-mail (for members whose e-mail address are registered with the Company/Registrars)

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a For CDSL: 16 digits beneficiary ID,
 - b For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.

- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- B. In case of members receiving the physical copy of notice of 21st Annual General meeting by post (for members whose e-mail ids are not registered with the Company/Depositories):**
- i. Please follow all the steps from S.No.(i) to S.No. (xvii) to cast vote
- C. General Instructions:**
- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 10th April, 2015.
 - ii. Members can opt for only one mode of voting, i.e., either by physical poll or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical poll will be treated as invalid.
 - iii. Members who do not have access to e-voting facility have been additionally provided the facility of voting through Ballot Form. They may send duly completed Ballot Form (enclosed with the Annual Report) to the Scrutinizer, Mr. Y. Suryanarayana at the Registered Office of the Company so as to reach on or before the conclusion of the 21st AGM or can carry the same to the AGM and deposit in the Ballot Box during the Meeting. Members have the option to request for physical copy of Ballot Form by sending an e-mail to

pushpa.latha@advantaseeds.com by mentioning their Folio No. / DP ID and Client ID.

- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. The result of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within two days of the AGM.
- vi. The results declared will also be placed on the Company's website and communicated to the Stock Exchanges.

Explanatory Statement (Under Section 102 of the Companies Act, 2013)

Item No. 5

The Articles of Association of the Company, as presently in force, are in accordance with the provisions of Companies Act, 1956. With the enactment of the Companies Act, 2013, most of the regulations contained in the Articles of Association of your Company have either become redundant or are not in tune with the provisions of the said Act. Under the Companies Act, 2013, draft Articles (in case of a Company limited by shares) are provided in Schedule F thereto.

In view of the aforesaid, it is proposed to replace the existing set of Articles of Association with a new set of Articles of Association containing regulations in accordance with the provisions of the new Act and the rules made thereunder.

The draft articles are available for your inspection at the Registered Office of the Company, at any time during the working hours on any working day till the date of AGM. The same are also placed on the website of the Company.

Pursuant to the provisions of Section 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, any alteration to the Articles of Association of the Company requires prior approval of shareholders by way of special resolution.

Hence, the Board recommends the resolution for your approval.

None of the Directors, Key Managerial Personnel and their relatives is interested or concerned in the said resolution except to the extent of their shareholding in the Company.

By Order of the Board of Directors
for **Advanta Limited**

Place: Mumbai
Date: February 02, 2015

Pushpalatha K
Company Secretary

Additional Information on Director recommended for Re-Appointment

Mr. Jaidev R. Shroff

Mr. Jaidev R. Shroff aged 49 years is the Chairman and Non-Executive Director and is associated with Advanta since 2006. He is a graduate in Chemistry from University of Mumbai. He is the promoter and executive director of UPL Limited and possesses rich experience of over 25 years.

Other Directorships:

- Demuric Holdings Private Limited
- Shroff Envirotral Private Limited
- Asia Society India Centre (Section 8 Company)
- JRF Research Private Limited
- NIVI Trading Limited
- UPL Limited
- Ventura Guaranty Limited
- Uniphos Enterprises Limited
- Tatva Global Environment Ltd.
- Tatva Global Environment (Deonar) Limited
- Pradeep Metals Limited

Membership of other Board Committees: NIL

Chairmanship of other Board Committees: NIL

Shareholding in the Company: Holds 50,76,750 (6.02%) equity shares in the Company.

Directors' report

Dear Members,

Your Directors take pleasure in presenting the 21st Annual Report on the business and operations of the Company together with the audited Financial Statements along with the Report of the Auditors for the financial year ended December 31, 2014.

Financial Performance

The financial highlights for the year under review are presented below:

(₹ in Lacs)

DESCRIPTION	CONSOLIDATED		STANDALONE	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Sales including other Income	151,905.20	126,256.24	10,387.14	11,172.01
Earnings before Interest, Tax & Depreciation and Amortization	25,020.84	19,446.70	3,875.02	4,769.89
Profit before exceptional item, prior period adjustments and Tax	9,089.67	6,468.49	174.51	512.77
Exceptional Item	(888.22)	(1,668.96)	-	-
Prior period adjustments	-	-	-	-
Profit Before Tax	8,201.45	4,799.53	174.51	512.77
Profit / (Loss) After Tax (PAT)	8,353.88	4,448.71	(517.27)	464.79
Add: Balance brought forward from previous year	23,234.09	19,250.17	(2,959.59)	(2,959.59)
Adjustment on account of amalgamation of subsidiary company	-	-	-	-
Surplus Available for Appropriations	31,587.97	23,698.88	(3,476.86)	(2,494.80)
Appropriations:				
Proposed Final Dividend	Nil	Nil	Nil	Nil
Tax on Dividend	Nil	Nil	Nil	Nil
Transfer to General Reserve	Nil	Nil	Nil	Nil
Transfer to Debenture Redemption Reserve	-	464.79	-	464.79
Balance Transferred to Balance Sheet	31,587.97	23,234.09	(3,476.86)	(2,959.59)

Conversion rates as on 31st December, 2014

For Balance Sheet items (Closing Rate)		For Statement of Profit & Loss (Average Rate)
1USD	= 63.0350	61.1538
1AUD	= 51.7202	54.8450
1EURO	= 76.6316	80.9973
1THB	= 1.9171	1.8775
1IDR	= 0.0050	0.0051
1BRL	= 23.7196	25.9834
1AED	= 17.1614	16.6496

BUSINESS OVERVIEW/OPERATIONS

Geographically, the Company has registered robust growth in all areas of its presence except in Thailand and Europe. Thailand suffered a severe nine month-long drought.

Besides, a change in the government policy on purchasing prices affected the liquidity of the farmers which adversely impacted corn planting, resulting in lower numbers for the Company. Europe slowed down due to uncertainty in the CIS region.

In the US, the Company's strategy of transitioning from a private label to a branded one has resulted in incremental growth in the sorghum business. The Company has done excellent business in Mexico this year predominantly in Sorghum.

India also achieved creditable numbers as the Company's forage business enjoyed a strong competitive position in some important markets. Some of its crops have emerged as trademarks thereby positioning the Company as a favoured choice among its customers.

PAC-740 hybrid is gaining a lot of popularity in the rain-fed markets of India for its wide adaptability and grain colour. Hybrid rice — a legacy crop of Advanta is gaining its due share in the Eastern and Northern markets.

With the vision of increasing productivity and net income of the Indian Vegetable farmers, UPL – Advanta group, with its flagship brand, Golden Seeds, is one of the major players of the Indian Vegetable Seed Industry. From a turnover point of view it is among the top 6 players in the industry. It has a dominant market share in tropical cauliflower, beet root, peas and is geared up to take a quantum leap in the high-value segment of okra with the introduction of novel hybrids.

Business from Europe remained subdued primarily due to political crisis in Ukraine. However, the Company has received many products registrations across European countries, not only for sunflower but also sorghum. This should help the Company strengthen its position in Europe and de-risk its business from a dependence on a single crop as well as geography.

In Asia, we have doubled our volumes in the newly opened markets of Vietnam and grown in Indonesia despite supply chain limitations. Our dominance in the fresh corn segment in SE Asia continued in 2014. We work very closely with the provincial governments and developmental agencies in different PPP projects to improve farm productivity and farm incomes of small and marginal farmers in Asia.

In Africa, grain sorghum has shown a significant revenue growth of 26%. Our cutting edge hybrids have yielded 2 to 2.5 times more compared to the local varieties. This crop has one of the largest acreages in Africa and Advanta can provide Seed and Agronomic solutions to improve the yields significantly. We are working closely with various African Governments for developing this crop. Canola in the Middle East and Africa, the other important crop for this geography in which we have a leading position, has been a significant contributor to our revenue and margin growth in 2014.

FUTURE OUTLOOK / PROSPECTS

Your company with vast experience in seed production of major agricultural crops backed by a very strong in-house R&D program for crops corn, sorghum, sunflower, rice and several vegetable crops nurtured a competitive edge in seed and agribusiness.

Advanta has a great opportunity to develop its growth strategy through a combination of internally driven factors and external dynamics that have taken place in the industry today.

We will continue to focus and develop collaboration to capture wider set of resources and leverage on a particular market expertise. Also, in our specialty projects we will focus on developing those commercial partnerships, synergizing the Advanta's and its partners capabilities throughout the integrated value chain.

The US: In the US, due to the transitioning from a private label to a branded one in sorghum growth is expected to continue. This will be complemented by the launch of new products from the R&D pipeline in the coming years.

India: India will be one of the major growth areas in the next five years or so. Corn, forage and some of the rapeseed business is going to grow in India and we believe that we have been capturing most of the opportunities because of our business structure and the way we enter the market.

UPL - Advanta after its transformation, has just started the new growth story within and outside the organization. With sound professional teams in place, we are all set to capture high market share and are striving to have our place in the top three vegetable seed companies of India. Our vegetable research strategy is focused on in-house breeding for tomato, okra, eggplant, hot pepper, cauliflower, gourds, watermelon and sweetcorn; and the rest through strategic tie-ups, to capture high market shares in okra, tropical corn and pepper.

Europe: The Company possesses a strong product portfolio comprising high oleic, high stearic sunflowers which position it perfectly to carve out a meaningful share over the years. Additionally, the Company is working to establish a strong presence in Russia and Romania. Further, the Company expects to get some of its most important products registered in early 2015 which should help augment sales.

Asia: Our cutting-edge research and technology development will continue to help in maintaining leadership position in South East Asia i.e., Thailand. Our focus markets beyond Thailand would be Vietnam and Indonesia where we have been growing rapidly and investing in supply chain and market development.

South Asia: Bangladesh and Sri Lanka are the other corn markets where we would continue to defend our leadership position.

Africa: This is expected to be an important growth area as Africa stands on the threshold of an agricultural revolution. The Company is working to realign its product portfolio to suit the agricultural and geographical factors.

Key crops and offerings for Africa include sorghum, sunflower, corn (white & yellow), canola, forages, rice and vegetables. The robust technology development process should enable us to expand rapidly across Africa.

Rest of the world: The Company expects Australia and Argentina among other developing nations to emerge as important growth drivers in the coming years.

MODERNISATION / EXPANSION PROJECTS

We continue to evaluate the capacity and plant requirements as the business continues to develop. During 2014, the following projects were undertaken:

- Dust extraction and upgradation of control, Corn sizing in processing facility, Australia
- Installation of automatic bag placer in processing facility, Thailand
- Upgradation and expansion of parent seed processing and warehousing facility in India

We have taken up numerous negotiations and found suitable partners to assist in capacity expansion. We have also developed four year plan for upgradation and expansion of our projects.

We are evaluating IT systems to assist in development of supply chain management system to improve planning, production and inventory management.

RESEARCH & DEVELOPMENT

Advanta believes that innovation is the cornerstone of sustainable development in any corporate structure and a holistic means of ushering it is through continuous investment in research and development.

The Company invests about 10% of its revenues into its R&D programmes in select areas which represent important growth opportunities. Considering the efforts of its R&D team, the Company expects new product launches in sorghum, canola, corn and sunflower.

The Company has strong products in the pipeline in India for the coming years. For this, the team is running extensive

trials to assure the farmer of their performance. In addition to trials, the team is creating a management package for the growers – “*here is the new hybrid, this is the agronomic management you need to put in place in order to get the best of this hybrid*”. With this package, the Company hopes to increase product acceptability among the farmers.

The R&D team focuses solely on products and regions with considerable scope and not populated by bigger players, allowing the Company to play to its strengths and expand in selected areas.

DIVIDEND

The Board of Directors do not recommend any Dividend in view of the loss for the Financial Year ended 31st December 2014.

SUBSIDIARIES

As on date, your Company has three direct subsidiaries: Advanta Holdings BV – Netherlands; Advanta Seed International – Mauritius; PT Advanta Seeds Indonesia – Indonesia and ten step-down subsidiaries: Advanta US Inc. – USA; Advanta Netherlands Holdings BV – Netherlands; Advanta Comercio De Sementas Ltda – Brazil; Advanta Seeds Pty. Ltd. – Australia; Advanta Semillas, SAIC – Argentina; Advanta (BVI) Ltd. – British Virgin Islands; Long Reach Plant Breeders Management Pty. Ltd. – Australia; Pacific Seeds (Thai) Ltd. – Thailand; Pacific Seeds Holding (Thailand) Ltd – Thailand; Advanta Seeds JLT – Dubai.

Pursuant to the provisions of Section 212 of the Companies Act, 1956, your Company, being the Holding Company is required to attach the Directors’ Report, Balance Sheet and Statement of Profit and Loss and other documents of its subsidiaries along with its Balance Sheet.

In this regard, it may be noted that pursuant to the directions issued by the MCA, vide General Circular No.2/ 2011, Dt. 8th February, 2011, general exemption has been granted to the Companies from complying with the provisions of Section 212 of the Companies Act, 1956 in respect of their subsidiaries. This implies that your Company, being the Holding Company need not attach the Balance Sheet, Statement of Profit and Loss etc., of its subsidiaries subject to compliance of certain conditions attached with the said exemption.

In view of the compliance of said conditions, audited consolidated financial statements for the year ended 31st December, 2014, prepared in compliance with applicable Accounting Standards are attached herewith.

Further, your Company undertakes that the Annual Accounts of the subsidiary companies and the related detailed information will be made available to its shareholders and to the shareholders of its subsidiary companies seeking such information at any point of time. Further, the Annual Accounts of the subsidiary companies are also available for inspection by any shareholder at its head office and that of the concerned subsidiary companies.

Further, Statement as required under Section 212 in respect of Subsidiaries is annexed to this Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investment in Associates and with reference to Clause 32 of the Listing Agreement, the Audited Consolidated Financial Statements forms part of the Annual Report.

CASH FLOW ANALYSIS

The Cash Flow Statement for the year under reference in terms of Clause 32 of the Listing Agreement is annexed hereto.

NON-CONVERTIBLE DEBENTURES

The outstanding amount of Non-Convertible Debentures as on 31st December 2014 is ₹162 crores comprising 1620 Unsecured Non-Convertible Debentures of ₹10,00,000 each.

ISSUE OF SHARES – ESOP

During the year under review, the paid-up share capital of the Company has increased from ₹1686.85 lacs divided into 84,342,325 equity shares of ₹2 each to ₹1687.42 lacs divided into 84,371,095 equity shares of ₹2 each consequent to the allotment of 28,770 equity shares of ₹2 each to employees upon exercise of options under Employee Stock Option and Shares Plan – 2006.

The particulars of shares allotted during the FY ended 31st December, 2014 are as follows:

Date of Allotment	Name of the Allottee	No. of Shares	Date of Listing	
			BSE	NSE
30.01.2014	Mr. V.R. Kaundinya	4,035	14.02.2014	17.02.2014
	Dr. M. Narasimham	75		
	Dr. Krishna Prasad	4,125		
29.04.2014	Mr. V. Ameya Nayak Salatry	4,125	20.05.2014	19.05.2014
25.07.2014	Mr. Venkatram Vasantavada	4,125	25.08.2014	18.08.2014
31.10.2014	Mr. Venkatram Vasantavada	4,125	20.11.2014	20.11.2014
	Mr. V.R. Kaundinya	4,035		
	Dr. Krishna Prasad	4,125		
Total		28,770		

FOREIGN CURRENCY CONVERTIBLE BONDS

In July 2011, the Company had issued USD 50,000,000 Floating Rate Guaranteed Convertible Bonds due 2016 Convertible into Ordinary Shares or Global Depository Shares representing Ordinary Shares of the Company.

The said bonds are listed at Singapore Exchange Limited. These bonds are convertible into Ordinary Shares or Global Depository Shares (GDSs) representing Equity Shares of Advanta Limited at the option of the bondholder(s).

If the bondholder(s) opt for conversion into Ordinary Shares, the equity capital of the Company will increase by an amount of ₹79,444,210 comprising of 39,722,105 equity shares of ₹2 each.

During the year under review, the Company has made necessary arrangements and appointed the required

intermediaries in order to enable the Company to issue Global Depository Receipts (GDRs), in case the bondholders opts to convert the FCCBs into GDRs. The said GDRs will be listed on Singapore Exchange and the said Exchange has in-principally approved the listing of upto 40,000,000 Global Depository Shares representing 40,000,000 equity shares of the Company.

During the year under review, the Company has not received any conversion notice from the FCCB holders.

Additional information, such as the total bonds issued, bonds converted, expected number of shares to be allotted in respect of outstanding FCCBs is given in detail in Corporate Governance Report.

PUBLIC DEPOSITS

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

DIRECTORS/MANAGER

During the year, the following changes took place in the Board of your Company:

- Appointment of Mr. Arun C Ashar as Additional Director & subsequently as Whole-Time Director for a period of 3 years w.e.f. 22nd March, 2014.
- Appointment of Ambassador Deepak Vohra as an Independent Director w.e.f. 22nd March, 2014.
- Resignation of Mr. Arun C Ashar from the office of Director as well as Whole-Time Director w.e.f. 30th September, 2014.
- Appointment of Mr. Venkatram Vasantavada as Additional Director and subsequently as Whole-Time Director for a period of 3 years w.e.f. 1st November, 2014.
- Appointment of Mr. Hardeep Singh, Mr. Vinod Sethi, Dr. Vasant P Gandhi and Ambassador Deepak Vohra as Independent Directors for a period of 5 years w.e.f. 1st January, 2015.

Further, Mr. Manoj Gupta resigned from the office of Manager w.e.f. 22nd March, 2014.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Jaidev R Shroff, Chairman and Non-Executive Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Brief profile of Mr. Jaidev R Shroff as required under Clause 49(VIII)(E) of the Listing Agreement is provided in the Notice, attached hereto.

AUDITORS AND AUDITORS REPORT

M/s. S.R. Batliboi and Associates LLP, Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing AGM. However, being eligible for re-appointment, they have offered themselves for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and as recommended by the Audit Committee it is proposed to re-appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as Statutory Auditors of the Company to hold office as such from the conclusion of this AGM till the conclusion of next AGM.

The Statutory Auditors have confirmed that their appointment, if made, will be in accordance with the provisions of Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014.

Statutory Auditors of the Company, vide their Report on Consolidated Financial Statements, have qualified their Report about "recognition of deferred tax assets" with respect to the subsidiary companies i.e., Longreach Plant Breeders Management Pty. Ltd., Advanta Holdings BV, Advanta Comercio De Sementes Ltda., PT Advanta Seeds Indonesia, Advanta Semillas SAIC, Pacific Seeds Holdings (Thailand) Ltd., stating that there is no virtual certainty as required by Accounting Standard (AS) 22, 'Accounting for Taxes on Income' read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs.

In this regard, your attention is invited to Note No. 33 of Notes to Consolidated Financial Statements on recognition of deferred taxes containing management's opinion that the said unused losses can be utilized.

Auditors of the Company, vide their Report on Consolidated Financial Statements have qualified their Report about the "recognition of MAT Credit entitlement" with respect to Advanta Semillas SAIC stating that there is no convincing evidence as required by guidance note on "Accounting for credit available in respect of Minimum alternate Tax under the Income-tax Act, 1961" issued by "The Institute of Chartered Accountants of India".

In this regard, your attention is invited to Note No. 33 of Notes to Consolidated Financial Statements on MAT credit containing management's opinion that the said MAT credit can be utilized.

COST AUDIT

The members may note that by virtue of Order No. F.No. 52/26/CAB-2010, dated 6th November 2012, issued by the Ministry of Corporate Affairs, your Company has been generally directed to get its cost accounting records in respect of FY commencing on 1st day of January 2014, audited by a practicing Cost Accountant.

In view of the aforesaid, the Board of Directors appointed M/s. MPR & Associates, Cost Accountants, as Cost Auditor of the Company to conduct the audit of cost records maintained by the Company for the Financial Year ending 31st December, 2014.

However, your Company has not appointed the Cost Auditor for FY 2015 since the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audit) Rules, 2014 are not attracted.

SECRETARIAL AUDIT

The Company has appointed M/s. P.S. Rao & Associates, Company Secretaries as Secretarial Auditors to conduct the audit of secretarial and related records of the Company for the FY ended 31st December, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, we make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- i. That in the preparation of accounts for the year ended December 31, 2014, the applicable accounting standards have been followed and that no material departures have been made from the same.
- ii. That such accounting policies have been selected and been applied consistently and judgments and estimates been made that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- iii. That proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the annual accounts for the year ended 31st December, 2014 have been prepared on a going concern basis.

VIGIL MECHANISM

The Company has established vigil mechanism and adopted whistle blower policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

The details of such mechanism is communicated to all the directors and employees and is also disclosed on the website of the Company www.advantaseeds.com.

REMUNERATION POLICY

The Company has adopted a policy relating to the remuneration for the directors, key managerial personnel and other employees and copy of the policy has been placed on the website of the Company www.advantaseeds.com.

COMPOSITION OF AUDIT COMMITTEE

Audit Committee of the Company comprises three independent directors:

- Mr. Vinod Sethi, Independent Director – Chairman
- Mr. Vikram R. Shroff, Non-Executive Director – Member
- Dr. Vasant P. Gandhi, Independent Director – Member
- Mr. Hardeep Singh, Independent Director – Member

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, a Corporate Social Responsibility Committee has been constituted under the Chairmanship of Mr. Vikram R. Shroff, Director, consisting of the following members:

- Mr. Hardeep Singh – Independent Director
- Mr. Vinod Sethi – Independent Director
- Ambassador Deepak Vohra – Independent Director
- Mr. Claudio Torres – Global CEO
- Mr. Manoj Gupta – Global CFO

The Company has adopted a Corporate Social Responsibility Policy indicating the activities to be undertaken by the company.

During the year under review, the Company has conducted various CSR programs in the areas of promoting education and environment sustainability. The report on CSR activities for FY 2014 is enclosed as Annexure – A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to the provisions of Clause 49 of the Listing Agreement, a report on Management Discussion and Analysis is enclosed as Annexure – B to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are provided in Annexure – C, which forms part of this report.

PERSONNEL

The relationship with the employees at different levels in the Company remained cordial throughout the year. Your Directors place their appreciation for the contribution made by all the employees of the Company.

PARTICULARS OF EMPLOYEES

Particulars of employees, as required under section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975 as amended, forms part of this report.

However, in pursuance of section 219(1)(b)(iv) of the Companies Act, 1956, this report is being sent to all the shareholders of the company excluding the aforesaid information and the said particulars are made available at the registered office of the Company. Any shareholder interested in obtaining copy of the same may write to the Company Secretary at the registered office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company and all the employments are contractual in nature.

EMPLOYEES STOCK OPTION PLANS

(i) Advanta India Limited Employees Stock Option and Shares Plan - 2006

The Advanta India Limited Employees Stock Option and Shares Plan - 2006 ('ESOPs') approved by the shareholders on 20th September, 2006 is in force. In accordance with the said Plan, the Company reserved 840,000 Equity Shares of ₹2/- each (originally 168,000 shares of ₹10/- each) to be issued to its employees and to the employees of its subsidiaries on one to one basis at an exercise price of ₹57/- being the market price as per the valuation report from a Chartered Accountant on the date of grant. The options were granted with a vesting period spread over 4 years and 6 months. Out of the total options granted, vesting of such options is conditional upon the employee's tenor and upon the Company meeting annual performance benchmarks based on parameters set by the Nomination and Remuneration Committee.

The disclosures with regard to the said Plan are enclosed as Annexure – D to this Report.

(ii) Advanta Employee Stock Option Plan - 2013

The Advanta Employee Stock Option Plan – 2013 was approved by the shareholders on 3rd December, 2013 by way of postal ballot and is in force. In accordance with the said Plan, the Company reserved 1,300,000 options to be issued to such eligible employees of the Company and also to that of its subsidiaries as may be decided by the Nomination and Remuneration Committee from time to time, which if exercised would give rise to equal number of shares of ₹2 each.

The disclosures with regard to the said Plan are enclosed as Annexure – D to this Report.

CORPORATE GOVERNANCE

The Company is committed to achieve the highest standards of corporate governance and it aspires to benchmark itself with best international practices in this regard.

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance practices followed by the Company together with a certificate from a Company Secretary in practice confirming compliance is annexed as part of the Annual Report.

INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the Company has adopted Code of Conduct for prevention of Insider Trading and the same is in force.

LISTING

The Equity Shares of your Company continue to be listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). There is no default in payment of Annual listing fees.

DEMATERIALISATION OF SHARES

The entire paid up equity share capital of the Company (except 10 shares) is held in dematerialized form as on 31st December, 2014.

ACKNOWLEDGEMENTS

Your Directors wish to express their appreciation for the valuable support and co-operation extended by customers, investors, lenders, business associates, banks, financial institutions, various statutory authorities and society at large. We also thank the Governments of various countries where we have operations and particularly the Ministry of Agriculture, Govt. of India.

Your Directors also place on record their appreciation for the contribution, commitment and dedication of the employees of the Company and its subsidiaries at all levels.

For and on behalf of the Board of
Advanta Limited

Place: Mumbai
Date: February 02, 2015

Jaidev R. Shroff
Chairman

ANNEXURE - A

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken:

Advanta is committed to improve the lives of the society in which it operates. The Company believes in "looking beyond business" and strives to create a positive impact on the communities it serves and on the environment. The objective of our CSR policy is to actively contribute to the social, environmental and economic development of the society in which we operate.

The CSR policy of the Company is available on the website of the Company www.advantaseeds.com and the weblink is <http://www.advantaseeds.com/csrapolicy.pdf>

2. Composition of CSR Committee is as under:

- Mr. Vikram R. Shroff – Chairman
- Mr. Hardeep Singh – Member
- Mr. Vinod Sethi – Member
- Ambassador Deepak Vohra – Member
- Mr. Claudio Torres – Member
- Mr. Manoj Gupta – Member

3. Average Net Profit of the Company for the last three financial years: ₹1,475.64 lacs

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above): ₹29.51 lacs

5. Details of CSR spend for the financial year:

- a. Total amount spent for the financial year: ₹3.02 lacs
- b. Amount unspent: ₹26.49 lacs
- c. Manner in which the amount spent during the financial year is detailed below:

S. No	CSR Project or Activity identified	Sector in which the project is covered	Projects or Programs	Amount outlay (budget project or programs wise)	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount spent directly
1.	Distribution of note books	Promoting education	--	Program wise	0.88	0.88	0.88
2.	Renovation of school infrastructure	Promoting education	--	Program wise	2.14	2.14	2.14
Total					3.02	3.02	3.02

6. Reasons for not spending the amount:

During the year under review, the Company has made consistent efforts to identify the projects for its CSR activities. It has focused on the development of schools in villages and has spent an amount of ₹3.02 lacs. However, the Company could not spend the requisite amount due to insufficient time to identify the appropriate CSR activities.

The objective of our CSR Policy was not just mere spending of amount but working towards social welfare. Your Company is in the process of identifying suitable projects for its CSR activities.

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

ANNEXURE - B

MANAGEMENT DISCUSSION AND ANALYSIS

Global seed industry

The seed market is considered to be one of the most important segments of agriculture due to the rising food demand. Consequently, biotech seeds are being seen as products which improve returns on investment while responding to consumer demands for healthier and economical agricultural products by increasing per unit seed production and per hectare productivity.

The global seed market can be sub-divided into the following categories:

- *Oilseeds* - soybean, sunflower, cotton, canola, mustard among others;
- *Grain seeds* - corn, sorghum, wheat, rice, millet crops, among others;
- *Fruits and vegetables* - tomato, cauliflower, melon, carrot, onion, pepper, lettuce, among others;
- *Other seeds* - alfalfa, turf, clover, forage plants and flower seeds, among others.

North America generates the maximum revenues globally. Europe is the second largest market and Asia-Pacific stands third. The US drives the North American market while India and China drive the Asia-Pacific seed market. France generated the maximum revenues in Europe, followed by Germany. The Latin American market is led by Brazil while the rest of the world has received a boost following growth in certain African countries.

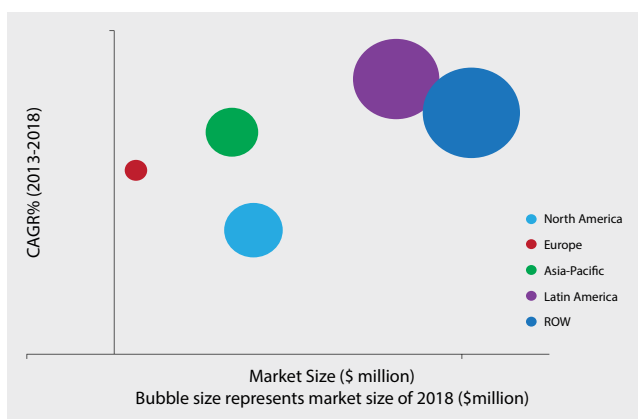
Brazil is the fourth largest market in terms of domestic seed demand, valued at nearly US\$2.6 billion. It is also considered the fastest growing market for corn seed. The growth in seed demand is concurrent with a growing agricultural demand owing to the burgeoning population of the country as well as the growing export market. Brazil's food commodity exports are considered critical sources of hard currency, resulting in growing importance of agriculture.

France is the 4th largest exporter of agriculture and agrifood products. Agrifood business is of great importance for the French economic growth and employs almost 6% of the French population. The French seed sector can attribute much of its excellent international reputation to good climatic conditions, crop diversity and ample output. During

the 2012-2013 campaign, the sector exported US\$1.9 billion worth of seeds, a whopping 15% increase from the previous year.

Optimism: According to the report, *Seeds Market By Type (Oilseed, Grain, Fruit & Vegetable, Turf, Forage & Other Seeds), Seed Trait (Herbicide Tolerant, Insecticide Resistant & Other Stacked Traits) & Geography - Global Trends & Forecast To 2018*, the seed market is pegged to grow from US\$44,122.2 million in 2012 to US\$85,237.6 million by 2018 with a CAGR of 12.1% from 2013-18.

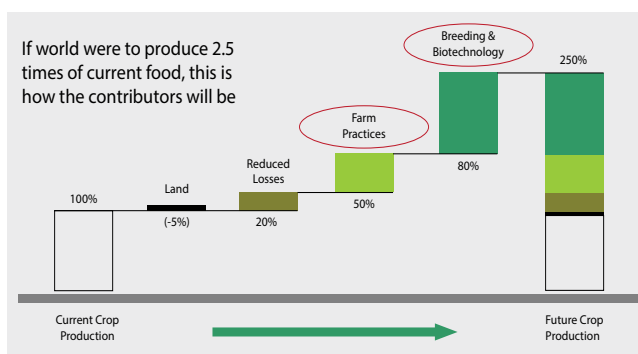
Seeds: Market revenue, by geography, 2013-18



Source: Markets and Markets Analysis

Infinite needs from a finite resource

Global population is expected to touch 9 billion by 2050 requiring twice the food to be produced on the same land area.



Source: Working paper no.209, ICRIER, NSSO; interviews

Indian seed industry

The Indian hybrid seed sector, estimated to be worth ₹12,000 crore comprises some 14 state seed corporations and two national-level corporations, 20 large players including multinationals and around 500 small regional players. About 10 domestic and multinational companies control over 80% of the market. The market has been growing at 15-20% annually over the past several years and is projected to reach around ₹18,000 crore by 2018.

Seed business in India in 2014

Erratic rainfall in India during the year affected crop sowing and the seed market.

The total sown area for *kharif* crops as on 10th October, 2014, stands at 1,026.60 lac hectares as compared to 1,049.47 lac hectares as on the same date in the previous year. Subsequently, *kharif* output was sub-optimal as per the first advance estimates of the Agriculture Ministry.

As per data released by the Directorate of Economics and Statistics, Ministry of Agriculture, total area coverage under *rabi* crops moved to 576.73 lac hectares while last year's sowing area stood at 618.20 lac hectares. This was also a fallout of the inclement weather conditions in various parts of the country.

Recent trends

- The hybrid seed sector is heading for its next round of consolidation as rising costs and increased price regulation squeeze margins of companies. Several large seed producers with deep pockets are hoping to acquire financially-strained or 'technologically-rich' smaller firms with a sizeable geographical reach and a distinct product portfolio.
- There has been a shift in the business model from agro-chemicals to seeds. As agrochemicals form the last component that goes into a farmer's investment chain, there remains a lot of uncertainty. The largest advantage of selling seed is considerable pricing power to the company. Farmers have to buy new seeds every season. As a result, agro chemical companies are adopting various business models to establish a presence in the hybrid seeds space to offset a decline in turnover from agrochemicals.

Case for hybrid seeds

The food security legislation has put enormous pressure on India's agricultural sector to produce more from a finite resource (land) without significantly impacting the water balance. This has only increased the need for increasing the use of hybrid seeds across various crops.

Business overview

Geographically, the Company has registered robust growth in all areas of its presence except in Thailand and Europe. Thailand suffered a severe nine month-long drought. Besides, a change in the government policy on purchasing prices affected the liquidity of the farmers which adversely impacted corn planting, resulting in lower numbers for the Company. Europe slowed down due to uncertainty in the CIS region.

In the US, the Company's strategy of transitioning from a private label to a branded one has resulted in incremental growth in the sorghum business. The Company has done excellent business in Mexico this year predominantly in Sorghum.

Business in South America experienced a heartening growth despite some fiscal and devaluation challenges in Argentina, low commodity prices and issues regarding sowing.

India also achieved creditable numbers as the Company's forage business enjoyed a strong competitive position in some important markets. Some of its crops have emerged as trademarks thereby positioning the Company as a favoured choice among its customers.

PAC-740 hybrid is gaining a lot of popularity in the rain fed markets of India for its wide adaptability and grain colour. Hybrid rice — a legacy crop of Advanta is gaining its due share in the Eastern and Northern markets.

With the vision of increasing productivity and net income of the Indian Vegetable farmers, UPL – Advanta group, with its flagship brand, Golden Seeds, is one of the major players of the Indian Vegetable Seed Industry. From a turnover point of view it is among the top 6 players in the industry. It has a dominant market share in tropical cauliflower, beet root, peas and is geared up to take a quantum leap in the high-value segment of okra with the introduction of novel hybrids.

The international business delivered strong growth with meaningful contributions from the various countries of our presence.

Business from Europe remained subdued primarily due to the political crisis in Ukraine. The devaluation of the Ukraine Hryvnia prevented the Company from moving its seeds to the farmers. However, in other parts of Europe, sunflower seeds garnered sizeable revenues. The other satisfying development was that the Company received many product registrations across European countries, not only for sunflower but also sorghum. This should help the Company strengthen its position in Europe and de-risk its business from a dependence on a single crop as well as geography.

In Asia, we have doubled our volumes in the newly opened markets of Vietnam and grown in Indonesia despite supply chain limitations. Our dominance in the fresh corn segment in SE Asia continued in 2014. We work very closely with the provincial governments and developmental agencies in different PPP projects to improve farm productivity and farm incomes of small and marginal farmers in Asia.

In Africa, grain sorghum has shown a significant revenue growth of 26%. Our cutting edge hybrids have yielded 2 to 2.5 times more compared to the local varieties. This crop has one of the largest acreages in Africa and Advanta can provide Seed and Agronomic solutions to improve the yields significantly. We are working closely with various African Governments for developing this crop. Canola in the Middle East and Africa, the other important crop for this geography in which we have a leading position, has been a significant contributor to our revenue and margin growth in 2014.

Sorghum continues to be the biggest earner for the Company followed by canola, corn, sunflower and sweet corn, among others.

What are the growth drivers of tomorrow?

The US: In the US, due to the transitioning from a private label to a branded one in sorghum growth is expected to continue. This will be complemented by the launch of new products from the R&D pipeline in the coming years.

Moreover, an interesting trend is unfolding in the US. Most of the sorghum is planted in the South East area of the US which is becoming increasingly dry. This is pushing up corn penetration to the Northern area and leaving more available acreage for sorghum as this crop requires less water than corn. Hence, there is an opportunity of incremental acreage for sorghum.

India: India will be one of the major growth areas in the next five years or so. Corn, forage and some of the rapeseed business is going to grow in India and we believe that we have been capturing most of the opportunities because of our business structure and the way we enter the market. We have a very high competitive position in some of the important markets and some of our crops are becoming trademarks in the forage market. We are continuing our investment in rice and our R & D group is focusing on its development.

UPL - Advanta after its transformation, has just started the new growth story within and outside the organization. With sound professional teams in place, we are all set to capture high market share and are striving to have our place in the top three vegetable seed companies of India. Our vegetable

research strategy is focused on in house breeding for tomato, okra, eggplant, hot pepper, cauliflower, gourds, watermelon and sweet corn; and the rest through strategic tie-ups to capture high market shares in okra, tropical corn and pepper.

Europe: At the end of 2014, Europe will have mandatory labelling on the source of vegetable oils. Hence, companies need to label the palm oil origin and palm oil is not very well received by European consumers because the oil *per se* is not considered very healthy among the oils available in that region. This creates an interesting opportunity for developing sunflower oil (which is healthier) in Europe. To capitalise on this opportunity, the Company is strategizing on the right capacity, right production and right logistics, among other details. The Company possesses a strong product portfolio comprising high oleic, high stearic sunflowers which position it perfectly to carve out a meaningful share over the years. Additionally, the Company is working to establish a strong presence in Russia and Romania. Further, the Company expects to get some of its most important products registered in early 2015 which should help augment sales.

Asia: Our cutting-edge research and technology development will continue to help in maintaining leadership position in South East Asia i.e. Thailand. Our focus markets beyond Thailand would be Vietnam and Indonesia where we have been growing rapidly and investing in supply chain and market development.

South Asia: Bangladesh and Sri Lanka are the other corn markets where we will maintain our leading position.

Africa: This is expected to be an important growth area as Africa stands on the threshold of an agricultural revolution. The Company is working to realign its product portfolio to suit the agricultural and geographical factors.

Key crops and offerings for Africa include sorghum, sunflower, corn (white & yellow), canola, forages, rice and vegetables. The robust technology development process should enable us to expand rapidly across Africa.

Rest of the world: The Company expects Australia and Argentina among other developing nations to emerge as important growth drivers in the coming years.

UPL the trusted front-end

Advanta has decided to use UPL's robust distribution bandwidth to market its seeds. This allows the Company to provide the common customer base with a comprehensive solution. The Company continues to not only retain but enhance its intellectual property, brands and innovative research.

Research and development

Advanta believes that innovation is the cornerstone of sustainable development in any corporate structure and a holistic means of ushering it is through continuous investment in research and development.

The Company invests about 10% of its revenues into its R&D programmes in select areas which represent important growth opportunities. Considering the efforts of its R&D team, the Company expects new product launches in sorghum, canola, corn and sunflower.

The Company has strong products in the pipeline in India for the coming years. For this, the team is running extensive trials to assure the farmer of their performance. In addition to trials, the team is creating a management package for the growers – “*here is the new hybrid, this is the agronomic management you need to put in place in order to get the best of this hybrid*”. With this package, the Company hopes to increase product acceptability among the farmers.

The R&D team focuses solely on products and regions with considerable scope and not populated by bigger players, allowing the Company to play to its strengths and expand in selected areas. It also continues to focus on the hybrid rice project which is a long gestation project (developing the parental line and then developing the hybrids) and hence will take time to deliver results. The Company's wheat research programme also looks promising.

Financial overview

Revenues (including other income) stood at ₹151,905 lacs in 2014 increased by 21% over 2013 on the back of business growth in key regions of the Company's presence. The EBIDTA grew by 30% from ₹19,447 lacs to ₹25,021 lacs over the same period and the profit for the year increased by 88% from ₹4,448 lacs in 2013 to ₹8,354 lacs in 2014.

Business profitability improved on account of better realisation, optimised variable expenses and flat fixed costs. Consequently, the EBIDTA margin improved from 16% in 2013 to 17% in 2014; the net margin stood at 6% in 2014 against 4% in 2013.

Debt (net) increased from ₹83,871 lacs as on December 31, 2013 to ₹93,713 lacs as on December 31, 2014 to fund the incremental business. The management converted a significant portion of the rupee-denominated borrowings into dollar-denominated debt which optimised interest costs despite an increased reliance on external funds.

Risks, concerns and threats

Contingent risks

Economic risk: Subdued demand, reduced farm credit, political uncertainty and social unrest could affect the business of the industry at large and the Company in particular.

Currency risk: Exchange rate fluctuations between the dollar and the rupee could impact profitability.

Seasonality risk: The Company's operations, financial stability and business prospects, results of operations and financial condition may be adversely affected by the seasonality and cyclical nature of its business.

Climatic risk: Fluctuations in rainfall and its distribution affect crop acreage, pest incidence and overall productivity. This has a direct bearing on seed demand.

Industry risks

Infrastructure risk: Inadequate irrigation facilities in most parts of India may restrict the acreage and possibility of second crop in the year affecting the offtake of seeds.

Competition risk: Growing competition could result in a price war thereby reducing product offtake. The Company's inability to effectively match pricing could diminish sales volumes.

Business risks

Development risk: The capability of the R&D team to develop new and improved products will determine the success of the Company.

Regulatory risk: The seed business is governed by multiple regulations namely The Seeds Act, 1966, The Seeds Rules, 1968, The Seeds (Control) Order, 1983; The Biodiversity Act, 2002 and The National Seeds Policy, 2002. Non-compliance with the statutory norms or a delay in obtaining regulatory approvals, licenses, permits, certifications and registrations could stymie business growth.

Cost risk: A rise in crude prices could materially impact business profitability.

Intellectual capital risk: The Company's success is pivoted on its ability to attract strong intellectual capital and retain its knowledge pool.

Logistical risk: The speed with which the Company is able to transport its products to the consuming centres has a significant bearing on business performance and prospects.

Forecast risk: Miscalculations in forecasting seed demand could result in an unexpected shortfall or a surplus of seeds – impacting business performance.

Internal control systems and their adequacy

Advanta has a robust internal audit and control system which is overviewed by the Board of Directors and Management and provides reasonable assurance regarding the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The Company's internal audit function comprises qualified and experienced personnel. It appraises its activities and audit findings periodically to the audit committee, statutory auditors and the management. The observations and suggestions of the internal audit are reviewed by the Audit Committee periodically. Adequate follow-up measures are taken to overcome reported weaknesses, if any. The Standard Operating Procedures (SOPs) put in place by the company are in tune with the best global practices and have been laid down across the process flow along with authority controls for each activity.

Human resource and industrial relations

The Company believes that the quality of the employees is the key to its success in the long run and is committed to provide necessary human resource development and training opportunities to equip them with skills, enabling them to keep pace with ongoing technological advancements and evolve.

During the year, the Company has organised training programmes for all the categories of employees in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and the code of conduct and product training.

As on 31st December 2014, the employee strength stood at 667.

Cautionary statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ substantially or materially from those expressed or implied. Important factors that could affect the company's operations include a downward trend in the domestic industry, monsoon, rise in input cost, exchange rate fluctuations and significant change in political and economic environment in India, environment standards, litigations, changes in the Government regulations, tax laws, statutes and other incidental factors.

ANNEXURE - C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended 31st December, 2014:

A. CONSERVATION OF ENERGY

1. Energy conservation measures taken:

Pursuant to our constant endeavor to save energy in our operations in all possible means, we have been able to successfully adopt the existing energy saving technologies and equipments in our operations within the plant activities. As committed, it has also been our mission to focus on reducing the consumption of natural depletes like LPG and move more towards renewable and waste biomass resources.

With this mission in our plant operations, we have been able to successfully sustain the energy conservative drive and also have taken steps in implementing latest available energy saving technologies. To achieve this, we have initiated the process of technology identification and capital investment allocation.

1. Drying and Shelling operation:

(a) The Sun drying method has been adopted for corn wet cob drying. The procurement method was changed from wet cob to shelled raw seed. The drying and shelling was done by the farmers after cobs were allowed to dry on the plant and harvested till acceptable moisture is attained. The harvested dried cobs need not undergo gas drying process.

These initiatives have resulted in saving of LPG gas usage as detailed hereunder:

Gas required to dry one ton of seed	30 Kgs
Quantity to be dried	165 MT
LPG conserved	4950 Kgs

(b) Usage of hot water system for generation of Hot Air to dry the Wet Cobs has resulted in the conservation of the LPG as detailed hereunder:

Total arrivals	3300 Tons
Quantity dried by way of LPG	250 Tons
Quantity dried by way of Hot Water System	3050 Tons
LPG required to Dry One ton of Seed	50 Kgs
Quantity dried	3050 Tons
LPG Conserved	1,52,500 Kgs

(c) Sun drying of Vegetable Seeds

Quantity to be dried	27 Tons
Cycle Time - 3 Hrs	1 Ton
No of Cycles	27
No of Run Hrs	81
Diesel required for 1 Hr	2.5 Litres
Total Diesel conserved	202 Litres

Out of 85 mts total production 27 mts dried in Advanta in terms of percentage is 32%.

2. Recycling of Gunny Bags:

Recycling the Gunny bags is another initiative taken during the year 2014 which has resulted into reduction of the following:

- Soil tillage.
- Usage of hazardous chemicals for repeated production of jute.
- Consumption of electricity units and various chemicals for manufacturing the bags.

During the year 2014, the conservation of gunny bags is as follows:

Fresh arrivals	4000 MT
Quantity of Gunny Bag required considering 70 Kg as Weight	57000 Nos
By Recycling 3 times - Gunny Bags conserved	1,71,000 Nos

2. Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
Identification of new energy saving means and measures are carried out on an ongoing basis.
3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production of goods:
As mentioned above.
4. Total Energy consumption and energy consumption per unit of production:
Not Applicable

B. TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D carried out by the Company:
Identification and development of superior, high yielding pest and disease resistant proprietary hybrids. Utilisation of the Molecular Breeding Technology to increase the speed and precision in the Breeding Programs.
2. Benefits derived as a result of the above R & D:
 - a) Cost reduction, import substitution and strategic resource management.
 - b) Quality evaluation of seeds.
 - c) Higher productivity and economic returns to the farming community consequent to development of high yielding Hybrids.
 - d) Entering new market segments.
 - e) Increased speed in introduction of new products.

3. Future Plan of Action:

To continue and extend research in the above areas.

4. Expenditure on R & D:

(₹ in Lacs)

DESCRIPTION	STANDALONE		CONSOLIDATED	
	FY 2014	FY 2013	FY 2014	FY 2013
A. Capital Expenditure	125.20	130.96	319.66	286.39
B. Revenue Expenditure-Gross	2,117.88	1,763.27	12,216.16	11,370.96
Less: Revenue expenses recharged	857.53	1,049.03	314.00	709.10
Sub-total	1,260.36	714.24	11,902.16	10,661.86
Total (A+B)	1,385.55	845.20	12,221.82	10,948.25
R&D Expenditure as a % of Net Sales	20.22	11.81	8.08	9.28

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

Utilizing plant breeding and biotechnological tools for the development of high yielding proprietary hybrids suitable for Indian agro climatic environment.

2. Benefits derived as a result of the above efforts:

Product improvement and development leading to cost reduction by introduction of high yielding superior quality disease and pest resistant hybrids for the benefit of the Indian farmer.

3. Information regarding Imported Technology:

a. Technology imported	:	Plant breeding and biotechnology know-how relating to seeds.
b. Year of Import	:	Technology up gradation takes place on a continuous basis
c. Has Technology been fully absorbed	:	Yes
d. Future plans of action	:	To continue ongoing research action

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- 1. (a) Activities relating to exports** : Export of various hybrid seeds in field crops and vegetable crops
- (b) Initiatives taken to increase** : Started producing seeds for our subsidiaries and for export markets taking the advantage of the low cost of production in India.
- (c) Export plans** : Company is having ambitious export plans for the year 2015 by exploring the possibilities of taking production of hybrid seeds in India on behalf of overseas subsidiaries and other third party buyers.

2. Foreign Exchange used (on stand-alone basis)	Current year (₹ in Lacs)	Previous year (₹ in Lacs)
Consumables :	-	-
Capital Expenditure :	67.02	9.84
Import of Seeds :	1,638.39	1,640.76
Travel :	88.29	72.00
Legal and Professional Charges :	115.67	62.58
Other Expenses :	158.43	56.70
Interest :	1,333.47	1,350.47
Reimbursement of expenses :	2.70	8.42
Total	3,403.97	3,200.77

Foreign Exchange Earned (on stand-alone basis)		
FOB Value of Exports :	4,290.79	5,796.66
Interest Income :	1,315.66	2,487.83
Reimbursement of Expenses :	1,988.25	1,847.56
Commission income :	270.35	163.26
Others :	98.05	22.58
Total	7,963.10	10,317.89

For Advanta Limited

Place: Mumbai
Date: February 02, 2015

Jaidev R. Shroff
Chairman

ANNEXURE - D

Disclosures on Advanta India Limited Employees Stock Option and Shares Plan – 2006 and Advanta Employee Stock Option Plan - 2013

Particulars	ESOP – 2006	ESOP - 2013
Granted during the year	Nil	752,382
Pricing Formula	Black Scholes Formula	Black Scholes Formula
Vested during the year	57,425	Nil
Exercised during the year	28,770	Nil
Forfeited during the year	37,125	Nil
Lapsed during the year	Nil	Nil
Outstanding unvested at the end of the year	111,100	752,382
Exercisable vested options at the end of the year	276,380	Nil
Total number of options in force	387,480	752,382
Total No. of shares arising as a result of exercise of options (cumulative)	198,595	Nil
Variation of Terms of options	Nil	Nil
Money realised by exercise of options during the year	₹1,639,890	Nil
Employee wise details of options granted during the year to:		
(a) Senior managerial personnel-	Nil	Mr. Claudio Torres Mr. Manoj Gupta Mr. Alberto Leon Mr. Barry Crocker Mr. Venkatram Vasantavada Mr. Philip Alun Guy
(b) Any other employee who received a grant in any one year, of options amounting to 5% or more of options granted during the year	Nil	Mr. Claudio Torres
(c) Identified employees who were granted options, during the year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant.	Nil	Nil
Diluted Earnings Per Share (EPS) pursuant to issue of Shares on exercise of options calculated in accordance with Accounting Standard 20.		Re. (0.61)
The Difference between the employee compensation cost using the intrinsic value of the stock options and the employee compensation cost that shall have been recognized if it had used the fair value of the options.		₹(96.50) Lacs
The impact of this difference:		
on profit / loss-		If the company had recognized fair value of options Loss would have increased by ₹96.50 Lacs
EPS-		If the company had recognized fair value of options EPS would have been lower by Re. 0.11

Particulars	ESOP – 2006	ESOP - 2013
- Weighted average exercise price of options where exercise price is less than market price	₹285/-	NA
- Weighted average exercise price of options where exercise price is equal to or exceeds market price	NA	₹112.81
- Weighted average fair value of options where exercise price is less than market price	₹180.36	NA
- Weighted average fair value of options where exercise price is equal to or exceeds market price	NA	₹47.65
Description of the method and significant assumptions used to estimate the fair values of options, including the following weighted average information:		
a) Risk free interest rate	8.04% p.a.	8.71% p.a.
b) Expected life	Vesting period + 18 months	Vesting period + 6 months
c) Expected volatility	64.49%	49.17%
d) Expected dividends and	0.30% p.a.	0%
e) The price of the underlying share in market at the time of option grant.	₹343.75 (closing price at NSE on the date of grant)	Grant 1: ₹103.80 Grant 2: ₹262.75 Grant 3: ₹319.70

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY

Corporate Governance is based on the principles of equity, fairness, integrity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. As stakeholders across the globe evince keen interest in the practices and performance of Companies, Corporate Governance has emerged on the centre stage.

Advanta believes that as we move closer towards our aspirations of becoming a global leader in seed business, our Corporate Governance Standards must be globally acclaimed and recognized.

The Company's products are marketed not only in India but across the globe. The Company is therefore conscious of the fact that to achieve success, high level of ethical values is to be maintained by the Management Team and all other Personnel.

Advanta adopts a business process which is aimed at enhancing the organization's wealth while being committed to high ethical values and conduct.

At Advanta, we believe in complying with the spirit of the law and not just the letter of the law. We conduct our business in a fair and transparent manner.

We follow the policy of continual disclosure of accurate financial and corporate information on our website to ensure investors' awareness and protection.

Our Board consists of experienced and participative independent directors which ensures independent and unbiased decision making process.

Independent Directors play a critical role in providing balance to the Board processes by bringing independent opinions and a fresh point of view on strategic and tactical issues and comparative performance / standing of the Company vis-à-vis the others. The system supports them by disseminating high quality information, well structured agendas and a professional and well resourced secretarial team.

At Advanta, we ensure:

- application of best governance practices
- adherence to high ethical values
- fair and transparent accounting policies
- informed and responsible management
- consideration of inalienable rights of shareowners
- healthy stakeholders' relations
- accountability for our business decisions
- achievement of our objectives while meeting the stakeholders' needs
- protection of long term interest of all the stakeholders.

2. BOARD OF DIRECTORS

a. Composition of the Board

At Advanta, we believe that an active and independent Board is necessary to ensure highest standards of corporate governance. It is well recognized that an efficient Board is essential for strong and effective corporate governance.

Our Board consists of 8 members, 3 of whom are non-executive directors, one is executive director and 4 are independent directors. This affirms an independent Board which is a pre-requisite for good corporate governance. Keeping in view the size and operations of the Company, the Board evaluates the need for change in its size and composition.

Composition of the Board as on 31st December, 2014:

Category	No. of Directors	Percentage to the total number of directors
Executive Director	1	12.5%
Independent Directors	4	50%
Non-Executive Directors*	3	37.5%

* Out of which 2 are Promoter Directors

Name of the Director	Category	Designation	Shares held in the Company as on 31.12.2014	
			No.	%
Mr. Jaidev R. Shroff	Promoter & Non-Executive Director	Chairman	5,076,750	6.02
Mr. Venkatram Vasantavada	Executive Director	Whole Time Director	NIL	NA
Mr. Vikram R. Shroff	Promoter & Non-Executive Director	Director	4,233,250	5.02
Mr. V. R. Kaundinya	Non-Executive Director	Director	37,000	0.04
Mr. Vinod Sethi	Independent Director	Director	NIL	NA
Dr. Vasant P. Gandhi	Independent Director	Director	NIL	NA
Mr. Hardeep Singh	Independent Director	Director	32,000	0.04
Ambassador Deepak Vohra	Independent Director	Director	NIL	NA

b. Board Meetings

- At Advanta, Board meetings are held every quarter to review the quarterly results, business operations and to transact the other items on agenda. Further, Board meets as and when required. However, as the Board consists of non-executive and independent directors from different parts of the country it may not be possible for them to be physically present for all the meetings and in certain cases conducting the meeting physically may not be feasible. In such cases, need based resolutions are passed by way of circulation and are noted and taken on record in the immediately subsequent meeting of the Board.
- The Company Secretary drafts the agenda for each meeting along with explanatory notes, in consultation with the CEO and CFO and circulates the same in advance to the Directors.
- Every Board member is free to suggest additional items for inclusion in the agenda.
- Presentations are made on business operations and performance of the Company by the CEO / CFO and other Functional Heads.

- The draft minutes are circulated to the members of the Board for their perusal and feedback. Comments, if any, received from the Directors are recorded in the minutes, in consultation with the Chairman of the meeting. The minutes are confirmed by the Board members at its subsequent meeting.
- Senior management personnel are invited to provide additional inputs for the items being discussed by the Board as and when necessary.

No. of Board Meetings: During the financial year ended 31st December 2014, four Board meetings were held on the following dates:

- 30th January, 2014
- 29th April, 2014
- 25th July, 2014
- 31st October, 2014

The maximum time gap between any two Board Meetings did not exceed 120 days. The requisite quorum was present in all the meetings.

- c. **Attendance at the Board meetings / AGM during the FY ended December 31, 2014 and number of directorships / committee memberships held by the Directors in other Companies:**

Name of the Director	No. of meetings during the year		No. of memberships in other companies		Attendance at previous AGM	
	Held	Attended	Board	Committees		
				Membership		Chairmanship
Mr. Jaidev R. Shroff	4	3	10	NIL	NIL	Present
Mr. Venkatram Vasantavada*	4	NA	NIL	NIL	NIL	NA
Mr. Vikram R. Shroff	4	4	12	NIL	NIL	Absent
Mr. V. R. Kaundinya	4	4	2	1	1	Present
Mr. Vinod Sethi	4	3	7	2	NIL	Present
Dr. Vasant P. Gandhi	4	3	1	2	NIL	Absent
Mr. Hardeep Singh	4	4	3	2	1	Present
Ambassador Deepak Vohra**	4	3	1	NIL	NIL	Present

*Appointed as Additional Director & Whole-Time Director w.e.f. 1st November, 2014

**Appointed as an Independent Director w.e.f. 22nd March, 2014

- The Directorships held by Directors in other Companies, as mentioned above does not include Directorship(s) in Foreign Companies.
- None of the Directors of the Company holds office as Director, at the same time in more than twenty (20) companies including sub-limit of ten (10) public Companies. No Director of the Company is a Member in more than ten (10) Committees or is a Chairman of more than five (5) Committees across all companies in which he is a Director.
- None of the Directors serves as an Independent Director in more than seven (7) listed companies.
- Mr. Venkatram Vasantavada does not hold directorship in any company other than Advanta.
- For the purpose of reckoning number of Committees in which a Director is a Member / Chairman, the Memberships / Chairmanships in Audit Committee and Stakeholders Relationship Committee of Public Companies alone are considered.
- None of the Independent Directors has any pecuniary relationship or transaction with the Company except the sitting fee paid for each meeting of the Board attended by him.
- None of the Directors has any relationship with other directors of the Company except Mr. Jaidev R. Shroff and Mr. Vikram R. Shroff who are related to each other as brothers.

List of Directorships / Membership & Chairmanships of Committees in other Companies:

i. Mr. JAIDEV R. SHROFF

Sl. No.	Name of the Company	Nature of Interest
1	Demuric Holdings Private Limited	Director
2	Shroff Envirotral Private Limited	Director
3	Asia Society India Centre	Director
4	JRF Research Private Limited	Director
5	NIVI Trading Limited	Director
6	UPL Limited	Director
7	Ventura Guaranty Limited	Director
8	Uniphos Enterprises Limited	Director
9	Tatva Global Environment (Deonar) Limited	Director
10	Pradeep Metals Limited	Independent Director

ii. Mr. VENKATRAM VASANTAVADA: NIL

iii. Mr. VIKRAM R. SHROFF

Sl. No.	Name of the Company	Nature of Interest
1	Shroff Envirotral Private Limited	Director
2	Force Aviation Private Limited	Director
3	Uniphos Envirotronic Private Limited	Director
4	Demuric Holdings Private Limited	Director
5	JRF Research Private Limited	Director
6	Agri Net Solutions Limited	Director
7	UPL Limited	Director
8	Shroffs United Chemicals Limited	Director
9	Swal Corporation Limited	Director
10	Mrugal Properties Limited	Director
11	Agraja Properties Limited	Director
12	Tatva Global Environment (Deonar) Limited	Director

iv. Mr. V. R. KAUNDINYA

Sl. No.	Name of the Company	Nature of Interest
1	Axis Bank Limited	Director Member – Audit Committee & Chairman - Stakeholders Relationship Committee
2	Tilvila Agri Solutions Private Limited	Director

v. Mr. VINOD SETHI

Sl. No.	Name of the Company	Nature of Interest
1	Sethi Funds Management Private Limited	Director
2	Durgamba Investment Private Limited	Director
3	Amethyst Café Private Limited	Director
4	UPL Limited	Director
5	ITZ Cash Card Limited	Director
6	KCP Sugars Agricultural Research Farms Limited	Director Member – Audit Committee
7	K.C.P. Sugar and Industries Corporation Limited	Whole-time Director Member – Audit Committee

vi. Dr. VASANT P. GANDHI

Sl. No.	Name of the Company	Nature of Interest
1	Gujarat State Fertilizers and Chemicals Limited	Director, Member – Audit Committee & Share-cum-Debtentures Transfer and Investor's Grievance Committee

vii. Mr. HARDEEP SINGH

Sl. No.	Name of the Company	Nature of Interest
1	Agresource Management Private Limited.	Director
2	Swaraj Automotives Limited	Director Chairman-Audit Committee
3	Escorts Limited	Director Member-Audit Committee & Stakeholders Relationship Committee

viii. AMBASSADOR DEEPAK VOHRA

Sl. No.	Name of the Company	Nature of Interest
1	Swami Rama Institute of Education Private Limited.	Director

d. Availability of information to Board members

The Board of Directors of the Company is apprised of all the relevant information and developments pertaining to the Company's business and this enables the Directors to take timely corporate decisions.

The Board has complete access to all the information within the Company. At the meetings of the Board, the senior executives and if required, even functional heads, who can provide in-depth insight into the agenda items, are invited.

Apart from the matters that require mandatory Board approval, following matters are also placed before the

Board for its information, as and when the occasion arises:

- Annual operating plans and budgets, capital budgets and any updates.
- Quarterly results (standalone and consolidated).
- Minutes of meetings of audit, nomination and remuneration, risk management, corporate social responsibility and stakeholders' relationship committee as well as abstract of circular resolutions passed.
- Information about foreign currency risks and the risks pertaining to derivatives and swap transactions.
- The Board minutes of the Indian subsidiary companies.
- Dividend.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the CFO and Company Secretary.
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents, dangerous occurrences and issues related to material effluent or pollution.
- Any material defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue that involves possible public or product liability claims of a substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company.
- Details of joint ventures, acquisitions of companies or collaboration agreements.
- Transactions that involve substantial payments toward goodwill, brand equity and intellectual property.
- Significant labour problems and their proposed solutions, any significant development in human resources or Industrial relations front.
- Sale of material nature, of investments in subsidiaries and assets which are not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risk of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements, as well as shareholder services such as non-payment of dividend and delays in share transfer etc.

A Report on compliance with all the laws applicable to the Company is placed before the Board in its every meeting.

e. Independent Directors:

- (i) The Independent Directors of the Company meets the criteria of independence as stipulated under the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement.
- (ii) The Company has appointed Mr. Hardeep Singh, Mr. Vinod Sethi, Dr. Vasant P. Gandhi and Ambassador Deepak Vohra as Independent Directors for a period of 5 years w.e.f. 1st January, 2015 in accordance with the provisions of Section 149 of the Act and Clause 49 of the Listing Agreement.
- (iii) The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company www.advantaseeds.com.
- (iv) The performance of Independent Directors is evaluated by the Board (excluding the Director being evaluated) on the following criteria, as laid down by the Nomination and Remuneration Committee.

Evaluation Criteria:

- Contribution to development of strategy and risk management.
- Guidance on corporate strategy, risk policy, corporate governance practices.
- Independence and unbiased decisions/opinions etc.

- (v) A meeting of Independent Directors was held on 31st October, 2014.
- (vi) The Company has familiarized the Independent Directors with their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company etc., in the meetings held during 2014.

The details of familiarization programme for Independent Directors of the Company is disclosed on the website of the Company www.advantaseeds.com and the weblink is <http://www.advantaseeds.com/fpid.pdf>.

f. Post-meeting follow-up system

The Governance process in the Company includes an effective post-meeting follow-up, review and reporting process for action taken / pending on decisions of the Board and its Committees.

g. Code of conduct

As per Clause 49 of the Listing Agreement, the Company has laid down a Code of Conduct for its Board Members, Senior Management Personnel and Designated Employees of the Company. The Code is available on our website, www.advantaseeds.com.

All the members of the Board, the Senior Management Personnel and designated employees have affirmed compliance to the Code as on 31st December, 2014. A declaration to this effect, signed by Whole-Time Director is attached to this Report.

h. Whistle Blower Policy

The Company has established vigil mechanism and has adopted whistle blower policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

The details of such mechanism are disclosed on the website of the Company www.advantaseeds.com.

i. Subsidiary Companies

The Company does not have any Indian subsidiary as on date.

j. Committees

The Board has constituted various committees and delegated them powers to deal with specific matters in order to ensure efficient functioning of the Board and Committees.

The Board Committees play a crucial role in the governance structure of the Company and have been assigned specific areas/activities which need closer review. They are set up pursuant to the formal approval of the Board to carry out their clearly defined roles. The Board delegates them the necessary powers and supervises their functioning.

Hence, each committee focuses on specific functional areas, thereby ensuring expertise in each activity. The Company has the following Committees:

- Audit Committee
- Nomination and Remuneration Committee

- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

The terms of reference of the Committees are reviewed and modified by the Board from time to time. Meetings of each Committee are convened by the respective Committee Chairman. The Company Secretary drafts the agenda and explanatory notes in consultation with the Chairman of the respective Committee and Chief Financial Officer and circulates the same in advance to all the members. Every member is free to suggest item(s) to be included in the agenda. Minutes of the Committee meetings are approved by the respective Committee and thereafter placed for noting and confirmation by the Board. Matters requiring the Board's attention / approval are generally placed in the form of a note before the Board by the respective Committee Chairman. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided at relevant head.

3. AUDIT COMMITTEE

The main objective of the Committee is to supervise the management's financial reporting process to ensure accurate and timely disclosures, with highest level of transparency, integrity and quality of financial reporting.

a. Constitution of Audit Committee

- In terms of Clause 49 of the Listing Agreement, which requires a Qualified and Independent Audit Committee, the Audit Committee comprises three Independent Directors and one Non-Executive Director:
 - Mr. Vinod Sethi - Chairman
 - Mr. Vikram R. Shroff - Member
 - Dr. Vasant P. Gandhi - Member
 - Mr. Hardeep Singh – Member
- The constitution of Audit Committee is also in accordance with Section 177 of the Companies Act, 2013.
- Mr. Vinod Sethi, Chairman of the Committee has attended previous Annual General Meeting held on 29th April, 2014.
- Ms. Pushpalatha K, Company Secretary acts as Secretary to the Committee.

b. Meetings and attendance during the year

The Audit Committee meets quarterly to review the Financial Results of the Company and transact other items on agenda. Additional meetings are also conducted as and when required.

During the financial year ended December 31, 2014, four audit committee meetings were respectively held on 30th January, 2014; 29th April, 2014; 25th July, 2014 and 31st October, 2014. The meetings of the Audit Committee were generally attended by the Head of Finance, Internal Auditors and Statutory Auditors as invitees. The attendance of each member of the Committee is given below:

Name of the Member	Category	No. of meetings	
		held	attended
Mr. Vinod Sethi	Independent Director	4	3
Mr. Vikram R. Shroff	Non-executive Director	4	4
Dr. Vasant P. Gandhi	Independent Director	4	3
Mr. Hardeep Singh	Independent Director	4	4

c. Terms of reference

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement entered into with Stock Exchanges read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

i) Powers of the Audit Committee include:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii) Role of the Audit Committee includes:

- Oversight of company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.

- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - changes, if any, in accounting policies and practices and reasons for the same.
 - major accounting entries involving estimates based on the exercise of judgment by management
 - significant adjustments made in the financial statements arising out of audit findings
 - compliance with listing and other legal requirements relating to financial statements
 - disclosure of any related party transactions
 - review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements
 - Management Discussion and Analysis of financial conditions and results of operations
- Review of Statement of significant related party transactions submitted by the management.
- Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
- Review of internal audit reports relating to internal control weaknesses.
- Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Review of the financial statements of subsidiary Companies
- Review and monitor the auditor's independence and performance and effectiveness of audit process
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Whistle Blower Mechanism
- Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee

The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.

4. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of section 178 of the Companies Act, 2013, the Remuneration Committee has been renamed as Nomination and Remuneration Committee w.e.f. 25th July, 2014.

a. Constitution of Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 5 Non-Executive Directors, out of which 3 Directors are Independent:

- Mr. Hardeep Singh – Chairman
- Mr. Jaidev R. Shroff – Member
- Mr. Vikram R. Shroff – Member
- Mr. Vinod Sethi – Member
- Dr. Vasant P. Gandhi – Member

Ms. Pushpalatha K, the Company Secretary acts as the Secretary to the Committee.

b. Meetings and attendance during the year

During the financial year ended December 31, 2014, four committee meetings were held respectively on – 30th January, 2014; 29th April, 2014; 25th July, 2014 and 31st October, 2014. The attendance of each member of the Committee is given below:

Name of the Member	Category	No. of meetings	
		held	attended
Mr. Hardeep Singh	Independent Director	4	4
Mr. Jaidev R. Shroff	Promoter & Non-executive Director	4	3
Mr. Vikram R. Shroff	Promoter & Non-executive Director	4	4
Mr. Vinod Sethi	Independent Director	4	3
Dr. Vasant P. Gandhi	Independent Director	4	3

c. Terms of reference

The terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence

of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To recommend/review remuneration of Key Managerial personnel based on their performance and defined assessment criteria.
- To decide on the elements of remuneration package of all the Key Managerial personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
- To administer the Advanta India Limited Employees Stock Option and Shares Plan – 2006 and Advanta Employee Stock Option Plan - 2013.
- Recommendation of fee / compensation / stock options, if any, to be paid / granted to Non-Executive Directors, including Independent Directors, of the Board.
- Payment / revision of remuneration payable to Managerial Personnel.
- While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
- The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
- Any other functions / powers / duties as may be entrusted by the Board from time to time.

d. Remuneration Policy

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company www.advantaseeds.com

Remuneration of the Executive Directors is determined by the Nomination and Remuneration Committee within the permissible limits under the applicable provisions of law and as approved by Board of Directors and shareholders.

The Company's remuneration policy is driven by the success and performance of the managerial personnel. While reviewing the remuneration of managerial personnel, the Committee takes into account the following:

- Financial position of the Company
- Scales prevailing in the industry
- Appointee's qualification and expertise
- Past performance
- Past remuneration etc.

Non-executive and Independent Directors are paid sitting fee of ₹20,000/- for each meeting of the Board attended by them. The total amount of sitting fee paid for the year was ₹340,000.

e. Details of remuneration paid to the Directors for the financial year ended December 31, 2014 (₹ In Lacs)

Name	Salary*	Commission	Perks/Contribution to Retirement Benefits	Sitting fee	Total
Mr. Venkatram Vasantavada**	21.81	Nil	3.51	NA	25.32
Mr. V.R. Kaundinya	Nil	Nil	Nil	0.80	0.80
Mr. Vinod Sethi	Nil	Nil	Nil	0.60	0.60
Mr. Hardeep Singh	Nil	Nil	Nil	0.80	0.80
Dr. Vasant P. Gandhi	Nil	Nil	Nil	0.60	0.60
Ambassador Deepak Vohra	Nil	Nil	Nil	0.60	0.60

* Salary includes HRA and Special Allowance.

** Appointed as Whole-Time Director of the Company w.e.f. 1st November, 2014.

- Mr. Venkatram Vasantavada has been granted 51,500 stock options in the Company till 31st December, 2014 out of which 8,250 options have been exercised and equal number of shares have been allotted to him till date. Other terms as per Employment Agreement.
- Mr. V.R Kaundinya has been granted 43,450 stock options in the Company till 31st December, 2014 out of which 28,210 options have been exercised and equal number of shares have been allotted to him till date.
- No other Director of the Company has been granted any Stock Options in the Company.

f. Employee Stock Option Plans

(i) Advanta India Limited Employees Stock Option and Shares Plan – 2006.

The Company has not granted any options during the year pursuant to the aforesaid Plan.

Under the said Plan each Option entitles the holder thereof to apply for and be allotted 1 Equity share of the Company of ₹2/- each upon payment of the exercise price during the exercise period.

The vesting period is as follows:

Stage	Period of vesting	Vesting (as a % of options granted) subject to participants continued employment	Vesting (as a % of options granted) subject to Company meeting annual performance benchmarks
1	On completion of 1 year and 6 months from the grant date	12.5%	12.5%
2	On completion of 2 years and 6 months from the grant date	12.5%	12.5%
3	On completion of 3 years and 6 months from the grant date	12.5%	12.5%
4	On completion of 4 years and 6 months from the grant date	12.5%	12.5%

Options granted to/exercised by Directors:

Name of the Director	No. of options granted during the financial year	Total number of options granted till 31 st December, 2014	No. of options exercised till 31 st December, 2014
Mr. Jaidev R. Shroff	Nil	Nil	Nil
Mr. Venkatram Vasantavada	35,000	51,500	8,250
Mr. V. R. Kaundinya	Nil	43,450	28,210
Mr. Vikram R. Shroff	Nil	Nil	Nil
Mr. Vinod Sethi	Nil	Nil	Nil
Dr. Vasant P. Gandhi	Nil	Nil	Nil
Mr. Hardeep Singh	Nil	Nil	Nil
Ambassador Deepak Vohra	Nil	Nil	Nil

Note: Options granted / exercised under 'Employee Stock Option and Shares Plan - 2006' have been adjusted in view of the sub division of nominal value of share from ₹10 per share to ₹2 per share.

(ii) Advanta Employee Stock Option Plan – 2013.

During the financial year ended 31st December, 2014, the Company has granted 752,382 options pursuant to the aforesaid Plan.

Under the said Plan, each Option entitles the holder thereof to apply for and be allotted 1 Equity share of the Company of ₹2/- each upon payment of the exercise price during the exercise period.

The vesting period is as follows:

Stage	Period of vesting	Vesting (as a % of options granted) subject to the Participant's continued employment
1	On completion of 18 months from the date of Grant	25%
2	On completion of 24 months from the date of Grant	25%
3	On completion of 36 months from the date of Grant	25%
4	On completion of 48 months from the date of Grant	25%

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Shareholders'/Investors' Grievance Committee has been renamed as Stakeholders Relationship Committee w.e.f. 25th July, 2014.

a. Constitution of the Committee

The Committee comprises three Non-Executive Directors of whom one is Independent Director:

- Mr. Vinod Sethi - Chairman
- Mr. Jaidev R. Shroff - Member
- Mr. Vikram R. Shroff - Member

Ms. Pushpalatha K, Company Secretary acts as Secretary to the Committee and is the Compliance Officer.

b. Terms of reference

The terms of reference of the **Stakeholders Relationship Committee** are as under:

- Redressal of grievances of shareholders, debenture holders and other security holders
- Transfer and transmission of securities
- Dealing with complaints related to transfer of shares, non-receipt of declared dividend, non-receipt of Balance Sheet etc.
- Issuance of duplicate shares certificates
- Review of dematerialization of shares and related matters
- Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, Listing Agreement with the Stock Exchanges and regulations/guidelines issued by the SEBI or any other regulatory authority

In order to expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Registrar and Share Transfer Agents i.e., M/s. Sharepro Services (India) Pvt. Ltd., to redress all complaints/grievances/enquiries of the shareholders/investors. It redresses the grievances/complaints of shareholders/investors under the

supervision of Company Secretary & Compliance Officer of the Company.

During the year under review, the Company has not received any complaints from its shareholders. There is no complaint pending unresolved at the year end.

The Committee, along with the Registrars and Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

As mandated by SEBI, the Quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the total issued and listed capital is being carried out by a Practicing Company Secretary. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL.

As on 31st December, 2014, 84,371,085 Equity Shares of ₹2 each representing 99.99% of the total no. of shares are in dematerialized form.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a. Constitution of the Committee

In compliance with the provisions of Companies Act, 2013, the Board on 25th July, 2014, constituted the CSR committee comprising:

- Mr. Vikram R. Shroff - Chairman
- Mr. Hardeep Singh - Member
- Mr. Vinod Sethi - Member
- Ambassador Deepak Vohra - Member
- Mr. Claudio Torres - Member
- Mr. Manoj Gupta - Member

b. Terms of reference

The terms of reference of the **Corporate Social Responsibility Committee** are as under:

- i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;
- ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i) above; and
- iii) monitor the Corporate Social Responsibility Policy of the company from time to time.

c. Corporate Social Responsibility Policy

The Company has adopted Corporate Social Responsibility Policy containing the activities to be undertaken by the company as part of its CSR programs. The CSR policy is disclosed on the website of the Company www.advantaseeds.com.

7. RISK MANAGEMENT COMMITTEE

The primary function of the Risk Management Committee is to assist the Board to manage the risk appetite of the Company in order to promote a balanced business model and growth. The Committee oversees the identification of major areas of risk being faced by the Company, the development of strategies to manage those risks and reviews the risk management policies and their implementation.

a. Constitution of Risk Management Committee

During the year under review, the Committee has been reconstituted as follows:

Name of the Member	Designation
Mr. Vikram R. Shroff	Chairman
Mr. Jaidev. R. Shroff	Member
Mr. Venkatram Vasantavada	Member
Mr. V. R. Kaundinya	Member
Mr. Claudio Torres	Member
Mr. Manoj Gupta	Member
Mr. Sandeep Chowdhury	Member

The Company Secretary acts as the Secretary to the Committee

b. Functions, Roles and Responsibilities of the Committee

- To approve structures, analyze risks and benefits, seek independent opinion with regard to structure or views.
- Assisting the Board in fulfilling its oversight responsibilities with regard to Enterprise Risk Management.
- Reviewing and approving risk related disclosures.
- Responsible for day to day oversight of risk management including identification, impact assessment, monitoring, mitigation and reporting.
- Formulation and implementation of risk management policies and procedures.
- Providing updates to the Board on enterprise risks and action taken.

- Ensure compliance with policies and procedures laid down by the Company for specific business units.
- Maintenance and development of a supportive culture, in relation to the management of risk appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organisation of their actions and decisions.
- Advising Board on all high level risk matters.
- To review the effectiveness of the internal control

system and risk management framework in relation to the achievement of business objectives.

- Reporting risk events and incidents in a timely manner.

8. RELATED PARTY TRANSACTIONS

The Company has adopted a policy for dealing with related party transactions and the same is disclosed on the website of the Company www.advantaseeds.com and the weblink is <http://www.advantaseeds.com/rpt.pdf>.

9. GENERAL BODY MEETINGS

a. Annual General Meetings

The venue, date and time of the Annual General Meetings held during the preceding three years and the Special Resolutions passed thereat are as under:

Venue	Date and Time	Special resolution passed
"Earthen Oven" Hotel Fortune Park Vallabha, Road No. 12, Banjara Hills, Hyderabad - 500034	April 29, 2014 11.30 A.M.	(i) Authorization to borrow money under Section 180(1)(c) of the Companies Act, 2013. (ii) Authorization to mortgage/charge the assets of the Company under Section 180(1)(a) of the Companies Act, 2013
"Earthen Oven" Hotel Fortune Park Vallabha, Road No. 12, Banjara Hills, Hyderabad - 500034	June 05, 2013 11.30 A.M.	Change of name of the Company from Advanta India Limited to Advanta Limited.
"Earthen Oven" Fortune Park Vallabha, Road No. 12, Banjara Hills, Hyderabad - 500034.	June 20, 2012 11:30 A.M.	Re-appointment of Mr. V.R. Kaundinya as Managing Director of the Company for a period of three (3) years with effect from 10 th July 2012.

b. Extra-ordinary General Meetings

Particulars with regard to venue, date and time of the Extra-ordinary General Meetings held during the preceding three years and the Special resolutions passed thereat are as under:

Year	Venue	Date and Time	Special resolution passed
2014		-----	No Extra-ordinary General Meeting -----
2013		-----	No Extra-ordinary General Meeting -----
2012			Court convened meetings of the shareholders and trade creditors of the Company were held to seek their approval to the Scheme of Amalgamation and Arrangement between Advanta India Limited and its wholly owned subsidiary, Unicorn Seeds Private Limited and their respective shareholders and creditors on 2 nd June 2012, at 11:30 A.M. and 2:00 P.M. respectively.

c. Postal Ballot

During the year, the Company has successfully completed the Postal Ballot process to seek the consent of its members for the following special business:

- Appointment of Mr. Venkatram Vasantavada as Director of the Company.
- Approval for the appointment of Mr. Venkatram Vasantavada as Whole-Time Director of the Company.
- Appointment of Mr. Hardeep Singh as an Independent Director of the Company.

- (iv) Appointment of Mr. Vinod Sethi as an Independent Director of the Company.
- (v) Appointment of Dr. Vasant P Gandhi as an Independent Director of the Company.
- (vi) Appointment of Ambassador Deepak Vohra as an Independent Director of the Company.
- (vii) Alteration of Articles of Association for increasing the size of the Board.

Mr. Y. Suryanarayana, Advocate, was appointed as Scrutinizer to conduct the said Postal Ballot process in a fair and transparent manner. The said process was completed on 19th December, 2014, wherein all the resolutions as proposed were passed by way of requisite majority. The result was announced on 19th December, 2014. The details of voting are as hereunder:

Resolution	Promoter / Public	No. of Shares held	No. of Votes polled	% of Votes Polled on outstanding shares	No. of votes - in favour	No. of Votes - against	% of Votes in favour on Votes polled	% of Votes against on votes polled
Appointment of Mr. Venkatram Vasantavada as Director of the Company	Promoter and Promoter group:							
	Electronic Poll	55685538	0	0	NA	NA	NA	NA
	Physical Poll		51954502	93.30	51954502	0	100	NA
	Public - Institutional Holders:							
	Electronic Poll	18088672	1365601	7.55	1365601	0	100	NA
	Physical Poll		0	0	NA	NA	NA	NA
	Public - Others:							
	Electronic Poll	10584600	415	0	415	0	100	NA
	Physical Poll		68393	0.65	68198	195	99.71	0.29
	Total	84358810	53388911	63.29	53388716	195	100	0
Approval for the appointment of Mr. Venkatram Vasantavada as Whole-Time Director of the Company	Promoter and Promoter group:							
	Electronic Poll	55685538	0	0	NA	NA	NA	NA
	Physical Poll		51954502	93.30	51954502	0	100	NA
	Public - Institutional Holders:							
	Electronic Poll	18088672	1365601	7.55	1365601	0	100	NA
	Physical Poll		0	0	NA	NA	NA	NA
	Public - Others:							
	Electronic Poll	10584600	415	0	415	0	100	NA
	Physical Poll		68393	0.65	68198	195	99.71	0.29
	Total	84358810	53388911	63.29	53388716	195	100	0
Appointment of Mr. Hardeep Singh as an Independent Director of the Company	Promoter and Promoter group:							
	Electronic Poll	55685538	0	0	NA	NA	NA	NA
	Physical Poll		51954502	93.30	51954502	0	100	NA
	Public - Institutional Holders:							
	Electronic Poll	18088672	1365601	7.55	1365601	0	100	NA
	Physical Poll		0	0	NA	NA	NA	NA
	Public - Others:							
	Electronic Poll	10584600	415	0	402	13	96.87	3.13
	Physical Poll		68393	0.65	68198	195	99.71	0.29
	Total	84358810	53388911	63.29	53388703	208	100	0

Resolution	Promoter / Public	No. of Shares held	No. of Votes polled	% of Votes Polled on outstanding shares	No. of votes - in favour	No. of Votes - against	% of Votes in favour on Votes polled	% of Votes against on votes polled
Appointment of Mr. Vinod Sethi as an Independent Director of the Company	Promoter and Promoter group:							
	Electronic Poll	55685538	0	0	NA	NA	NA	NA
	Physical Poll		51954502	93.30	51954502	0	100	NA
	Public - Institutional Holders:							
	Electronic Poll	18088672	1365601	7.55	1365601	0	100	NA
	Physical Poll		0	0	NA	NA	NA	NA
	Public - Others:							
	Electronic Poll	10584600	415	0	402	13	96.87	3.13
	Physical Poll		68473	0.65	67798	675	99.01	0.99
	Total	84358810	53388991	63.29	53388303	688	100	0
Appointment of Dr. Vasant P Gandhi as an Independent Director of the Company	Promoter and Promoter group:							
	Electronic Poll	55685538	0	0	NA	NA	NA	NA
	Physical Poll		51954502	93.30	51954502	0	100	NA
	Public - Institutional Holders:							
	Electronic Poll	18088672	1365601	7.55	1365601	0	100	NA
	Physical Poll		0	0	NA	NA	NA	NA
	Public - Others:							
	Electronic Poll	10584600	415	0	402	13	96.87	3.13
	Physical Poll		68393	0.65	68368	25	99.96	0.04
	Total	84358810	53388911	63.29	53388873	38	100	0
Appointment of Ambassador Deepak Vohra as an Independent Director of the Company	Promoter and Promoter group:							
	Electronic Poll	55685538	0	0	NA	NA	NA	NA
	Physical Poll		51954502	93.30	51954502	0	100	NA
	Public - Institutional Holders:							
	Electronic Poll	18088672	1365601	7.55	1365601	0	100	NA
	Physical Poll		0	0	NA	NA	NA	NA
	Public - Others:							
	Electronic Poll	10584600	415	0	402	13	96.87	3.13
	Physical Poll		68383	0.65	68168	215	99.69	0.31
	Total	84358810	53388901	63.29	53388673	228	100	0
Alteration of Articles of Association for increasing the size of the Board	Promoter and Promoter group:							
	Electronic Poll	55685538	0	0	NA	NA	NA	NA
	Physical Poll		51954502	93.30	51954502	0	100	NA
	Public - Institutional Holders:							
	Electronic Poll	18088672	1365601	7.55	1365601	0	100	NA
	Physical Poll		0	0	NA	NA	NA	NA
	Public - Others:							
	Electronic Poll	10584600	415	0	415	0	100	NA
	Physical Poll		68383	0.65	68129	254	99.63	0.37
	Total	84358810	53388901	63.29	53388647	254	100	0

d. Special resolutions proposed to be conducted through Postal Ballot

Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

e. Procedure for Postal Ballot

The procedure for Postal Ballot shall be as per the provisions contained in this behalf in the Companies Act, 2013 and rules made there under, viz., Companies (Management and Administration) Rules, 2014 and any amendments thereof.

10. DISCLOSURES

i) Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

- None of the transactions with the related parties is in conflict with the interest of the Company. The Company's significant related party transactions are generally with its Subsidiaries and Associates. All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company.
- The particulars of transactions between the Company and its related parties are as per the Accounting Standard AS-18 "Related Party Disclosure" issued by the Central Government under Companies (Accounting Standards) Rules, 2006 and are set out under Note No. 34 forming part of the standalone financial statements. Members may refer to the said Note for the details of related party transactions.

ii) Details of non-compliance by the company, penalties and strictures imposed on the company by the Stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of regulatory / statutory authorities on capital market and no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.

iii) Whistle Blower Policy

In July, 2014, the Company has adopted the Whistle blower Policy and established a mechanism for

employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of Code of Conduct. It also provides adequate safeguards against the victimization of employees who avail of the mechanism, and allows direct access to the Chairperson of the audit committee in exceptional cases. We further affirm that no employee has been denied access to the audit committee during the year 2014.

iv) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause.

The Company has complied with all the mandatory requirements and has adopted the following non-mandatory requirement of Clause 49.

- **Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee.

11. MEANS OF COMMUNICATION

- As per Clause 54 of the Listing Agreement, the Company is maintaining a functional website – www.advantaseeds.com containing the information about the Company viz., details of business, financial information, shareholding pattern, annual reports, Company's policies, results con-call transcripts, contact information of the designated officials of the Company for handling investor grievances. The website is updated from time to time.
- Quarterly/Half-yearly/Annual financial results are generally published in The Economic Times, Financial Express and Andhra Prabha. The results are also posted on the Company's website www.advantaseeds.com.
- The Annual Report of the Company is available on the Company's website in a user-friendly and downloadable form.
- The Company has designated an e-mail id exclusively for investor servicing i.e., investor@advantaseeds.com. Investor may raise any queries, complaints or provide suggestions through the said e-mail id or through investors' toll number provided therein.

Annual Report containing inter alia, Audited Financial Statements, Report of Board of Directors and Auditors and other important information is circulated to members and others entitled thereto. The Management Discussion & Analysis (MD &A) Report forms part of the Annual Report and is displayed on the Company's website www.advantaseeds.com.

12. GENERAL SHAREHOLDER INFORMATION

a. Date, Time & Venue of AGM:

Thursday, April 23, 2015
10:30 A.M.
Hotel Taj Krishna, Road No. 1, Banjara Hills,
Hyderabad - 500 034, Telangana, India.

b. Financial Calendar

The Financial Year is 1st January, 2015 to 31st March, 2016 and the financial results are proposed to be declared as per the following tentative schedule:

Particulars	Tentative Schedule
Financial reporting for the quarter ending March 31, 2015	Fourth week of April, 2015
Financial reporting for the quarter ending June 30, 2015	Fourth week of July, 2015
Financial reporting for the quarter ending September 30, 2015	Fourth week of October, 2015
Financial reporting for the quarter ending December 31, 2015	Fourth week of January, 2016
Financial reporting for the quarter ending March 31, 2016	First week of May, 2016

c. Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from 11th April, 2015 to 23rd April, 2015 (both days inclusive) in connection with the 21st Annual General Meeting of the Company.

d. Listing Details

i. Equity Shares

The Company's shares are listed on the following Stock Exchanges w.e.f. 19th April 2007.

Name of the Stock Exchange	Address	Stock Code
BSE Ltd. (BSE)	Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001	532840
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, 5 th Floor Plot No. C/1, G Block Bandra-Kurla Complex Bandra (E), Mumbai – 400051	ADVANTA

ISIN : INE517H01028

Annual listing fees for the FY 2014-15 has been paid by the Company to both the Stock Exchanges.

ii. Privately placed Debt instruments

The Company's privately placed Non-Convertible debentures are listed on the Wholesale Debt Market (WDM) Segment of BSE.

Scrip Code : 946596

ISIN : INE517H0 8015

Annual listing fees for the NCDs for the FY 2014-15 has been paid by the Company to BSE Limited.

iii. Foreign Currency Convertible Bonds (FCCBs)

The Bonds are listed at Singapore Exchange Securities Trading Limited.

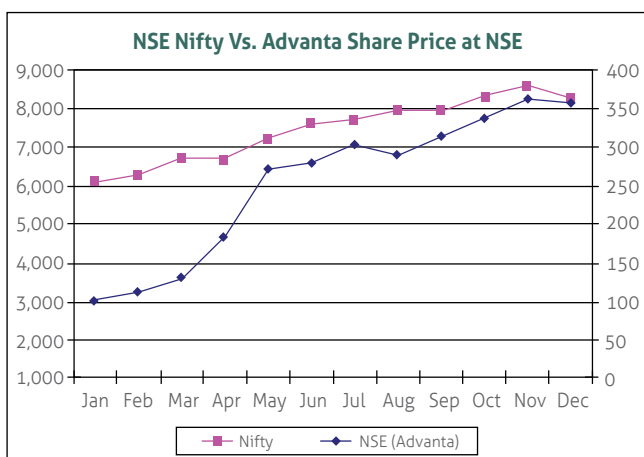
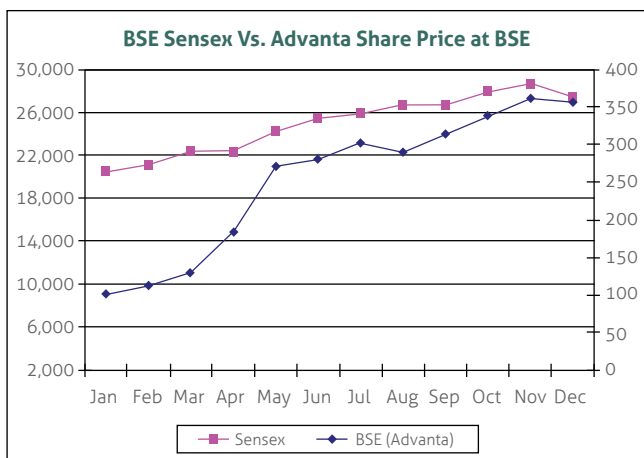
Stock Code : ADVFCB16

e. Market Price Data

Month	BSE Limited (BSE) (In ₹ per share)		National Stock Exchange of India Limited (NSE) (In ₹ per share)	
	High	Low	High	Low
January 2014	121.80	96.35	121.80	98.65
February 2014	121.50	100.00	121.95	99.00
March 2014	140.50	110.25	140.50	110.60
April 2014	207.75	119.40	207.70	119.40
May 2014	294.00	161.00	293.85	158.10
June 2014	302.00	260.15	300.85	259.80
July 2014	330.90	256.00	330.00	253.00
August 2014	329.80	285.15	328.00	285.00
September 2014	352.80	290.05	352.10	289.00
October 2014	359.70	301.00	360.00	300.00
November 2014	386.05	320.00	386.90	324.00
December 2014	394.70	341.55	413.00	343.10

Performance in comparison to broad based indices for FY ended 31st December 2014 – BSE Sensex Vs Advanta (Closing Share prices in BSE) and Nifty vs. Advanta (Closing Share prices in NSE).

Month	Sensex	BSE (Advanta)	Nifty	NSE (Advanta)
January 2014	20,513.85	100.75	6,089.50	100.95
February 2014	21,120.12	112.15	6,276.95	111.90
March 2014	22,386.27	129.20	6,704.20	129.55
April 2014	22,417.80	183.25	6,696.40	183.00
May 2014	24,217.34	272.15	7,229.95	270.65
June 2014	25,413.78	280.05	7,611.35	279.45
July 2014	25,894.97	302.85	7,721.30	304.00
August 2014	26,638.11	289.95	7,954.35	289.15
September 2014	26,630.51	314.20	7,964.80	314.05
October 2014	27,865.83	338.35	8,322.20	337.55
November 2014	28,693.99	361.60	8,588.25	362.30
December 2014	27,499.42	356.80	8,282.70	356.30



f. Registrar and Share Transfer Agents

M/s. Sharepro Services (India) Pvt. Ltd.
Samhita Complex, Gala No. 52 to 56,
Building No. 13A-B, Near Sakinaka Telephone
Exchange, Andheri - Kurla Road, Sakinaka,
Mumbai – 400072
Ph: (91-22) 6772 0300 Fax: (91-22) 2859 1568
E-mail : sharepro@shareproservices.com

g. Share Transfer System

The shares of the Company being in compulsory dematerialized form are transferable through the depository system. Shares in physical form should be lodged for transfer with the office of Sharepro Services at Mumbai or at the Registered Office of the Company. Share transfer requests which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being in order and complete in all respects.

The Company obtains from a Company Secretary in practice Half-Yearly Certificate of compliances with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement entered into with the Stock Exchanges and files a copy of the Certificate with the Stock Exchange(s).

Investors' Relations

Advanta seeks to serve the Company's investors promptly and efficiently. Any query from any shareholder is promptly attended to by the Company and its RTA.

Advanta assists the investor community in understanding better the Company's strategy, vision and long term growth plans in order to enable them to take informed decisions on their investment.

The website of the Company www.advantaseeds.com provides information on financial results, corporate announcements in addition to other relevant information for investors.

h. Employee Stock Option Plans

i) Advanta India Limited Employees Stock Option and Shares Plan - 2006

The Company has earmarked 8,40,000 equity shares of ₹2/- each (originally 1,68,000 equity shares of ₹10 each) under the said plan. Each option is convertible into an equity share of ₹ 2/- each. As on December 31, 2014, 3,87,480 options were in force, comprising of 1,11,100 options which remained unvested & outstanding and

2,76,380 vested options remained to be exercised. The vesting period and the exercise period of the stock options shall be determined by the Nomination and Remuneration Committee subject to the minimum vesting period being 18 months from the grant date.

ii) **Advanta Employee Stock Option Plan - 2013**

During the Financial Year ended 31st December, 2013, the Company introduced another Employee Stock Option Plan under the captioned title, upon obtaining approval by the shareholders through Postal Ballot process.

Under the said Plan, a maximum of 13,00,000 options have been reserved to be issued to such eligible employees of the Company and also to that of its subsidiaries as may be decided by the Nomination and Remuneration Committee from time to time, which if exercised would give rise to equal number of shares of ₹2 each.

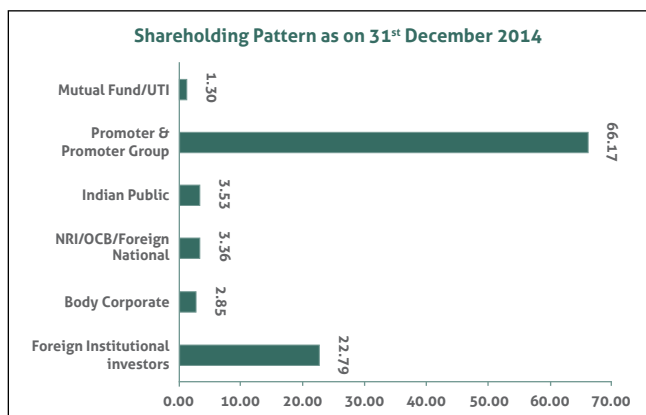
i. **Distribution of Shareholding as on 31.12.2014:**

No of equity shares held	No of share-holders	%	No of shares	%
Up to 500	5616	91.73	534563	0.64
501 - 1000	223	3.64	174072	0.21
1001 - 2000	101	1.65	150967	0.18
2001 - 3000	41	0.67	101111	0.12
3001 - 4000	10	0.16	36595	0.04
4001 - 5000	34	0.56	158401	0.19
5001 - 10000	36	0.59	279547	0.33
10001 and above	61	1.00	82935839	98.30
Total	6122	100.00	84371095	100.00

j. **Shareholding Pattern as on December 31, 2014**

Category Code	Category of Shareholders	Number of Share-holders	Total No. of Shares	Number of shares held in demated form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered		
					As a percentage of		Number of Shares	As a %	
					(A+B)	(A+B+C)			
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII)/(IV)*100	
(A)	Shareholding of Promoter and Promoter Group								
(1)	Indian								
(a)	Individuals/H.U.F	3	4255135	4255135	5.04	5.04	0	0.00	
(b)	Central/State Government(s)	0	0	0	0.00	0.00	0	0.00	
(c)	Bodies Corporate	5	46495978	46495978	55.11	55.11	0	0.00	
(d)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00	
(e)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00	
	Sub-Total (A)(1)	8	50751113	50751113	60.15	60.15	0	0.00	
(2)	Foreign								
(a)	Non Resident Individuals/ Foreign Nationals	1	5076750	5076750	6.02	6.02	0	0.00	
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	
(c)	Institutions	0	0	0	0.00	0.00	0	0.00	
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	
(e)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00	
	Sub-Total (A)(2)	1	5076750	5076750	6.02	6.02	0	0.00	
	Total holding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	9	55827863	55827863	66.17	66.17	0	0.00	

Category Code	Category of Shareholders	Number of Shareholders	Total No. of Shares	Number of shares held in demated form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of		Number of Shares	As a %
					(A+B)	(A+B+C)		
(B)	Public Shareholding							
(1)	Institutions							
(a)	Mutual Fund/UTI	2	1100485	1100485	1.30	1.30	0	0.00
(b)	Financial Institutions/Banks	2	655	655	0.00	0.00	0	0.00
(c)	Central/State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	28	17057322	17057322	20.22	20.22	0	0.00
(g)	Foreign Venture Cap. Inv	0	0	0	0.00	0.00	0	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(i)	Any Other -							
	Foreign Portfolio- Corp	2	2170543	2170543	2.57	2.57	0	0.00
	Sub-Total (B)(1)	34	20329005	20329005	24.09	24.09	0	0.00
(2)	Non Institutions							
(a)	Bodies Corporate	344	2400878	2400878	2.85	2.85	0	0.00
(b)	Individuals							
	i) Holding nominal share capital upto ₹1 lakh	5647	1505610	1505600	1.78	1.78	0	0.00
	ii) Holding nominal share capital in excess of ₹1 lakh	4	1468585	1468585	1.74	1.74	0	0.00
(c)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(d)	Any Other (specify)							
(d-i)	Non Resident Individuals							
	NRI - Repatriable	56	2819510	2819510	3.34	3.34	0	0.00
	NRI - Non-repatriable	25	10674	10674	0.01	0.01	0	0.00
(d-ii)	Foreign National	2	8470	8470	0.01	0.01	0	0.00
(d-iii)	Trust	1	500	500	0.00	0.00	0	0.00
	Sub-Total (B)(2)	6079	8214227	8214217	9.74	9.74	0	0.00
	Total Public shareholding (B)=(B)(1)+(B)(2)	6113	28543232	28543222	33.83	33.83	0	0.00
	TOTAL (A)+(B)	6122	84371095	84371085	100.00	100.00	0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
1	Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
2	Public	0	0	0	0.00	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	6122	84371095	84371085	100.00	100.00	0	0.00



k. Dematerialization of shares and liquidity

The Company's shares are available for dematerialization in both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Except 10 equity shares of ₹ 2 each, the entire equity share capital comprising of 84,371,095 equity shares of ₹2 each (almost 100%) has been dematerialized as on December 31, 2014.

Electronic/ Physical	Number of shares held	Percentage (%) of Issued Capital
NSDL	79,810,369	94.59
CDSL	45,60,716	5.41
Physical	10	0.00
TOTAL	84,371,095	100.00

l. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has issued USD 50 Million Floating Rate Guaranteed Foreign Currency Convertible Bonds due 2016 as per the details given below:

Identification No.	FCB160713
ISIN	XS0633235782
Initial Conversion Price	INR 56.57
Initial Conversion Ratio	Convertible into 158,890 shares per Bond of USD 2,00,000 each from July 15, 2011 to July 2, 2016
Number of Bonds converted as on December 31, 2013	NIL
Number of Bonds outstanding as on December 31, 2013	250
Amount Outstanding as on December 31, 2013	USD 50 Million
Expected number of shares to be issued	39,722,105

Note: Conversion price/number of shares have been adjusted in view of the subdivision of nominal value of equity shares from ₹10 per share to ₹2 per share.

Apart from aforesaid Bonds and the stock options issued under the Advanta India Limited Employees Stock Option and Shares Plan - 2006 / Advanta Employee Stock Option Plan - 2013, there are no other instruments, whether GDRs/ADRs/Warrants or any other convertible instruments which are outstanding as on date.

m. Plant locations

(i) Kurnool:

B Camp Post, Krishna Nagar,
Kurnool – 518 002, A.P.

(ii) Medak:

Kalakkal Village,
Toopran Mandal, Medak District, Telangana

(iii) Ranga Reddy District:

Bharati Brahma Seeds,
Nutankal Village, Medchal Mandal,
Ranga Reddy District, 501082, Telangana

n. Address for Investor correspondence

The shareholders may send their communications at the following address:

Ms. Pushpalatha K

Company Secretary and Compliance Officer

Advanta Limited

Krishnama House, #8-2-418, 4th Floor, Road No. 7,
Banjara Hills, Hyderabad – 500034, Telangana.

Ph: 040-6628 4000 – 15

Fax: 040-2335 0856 / 6628 4040

Website: www.advantaseeds.com

Registrars & Share Transfer Agents of the Company

M/s. Sharepro Services (India) Pvt. Ltd.

Samhita Complex, Gala No. 52 to 56,

Building No. 13A-B,

Near Sakinaka Telephone Exchange,

Andheri - Kurla Road,

Sakinaka, Mumbai – 400072

Ph: 022-6772 0300 Fax: 022-2859 1568

E-mail: sharepro@shareproservices.com

Address for correspondence with Depositories

National Securities Depository Limited

Trade World, 'A' Wing, 4th & 5th Floors

Kamala Mills Compound, Senapati Bapat Marg,
Mumbai – 400 013

Ph : 022-2499 4200, Fax : 022-2497 6351

e-mail : info@nsdl.co.in

website : www.nsdl.co.in

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street,
Lower Parel Fort, Mumbai – 400 001
Ph: 022-2272 3333, Fax: 022-2272 3199
e-mail : investors@cdslindia.com
website : www.cdslindia.com

o. Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has instituted a comprehensive code of conduct for prohibition of insider trading in the Company's shares.

Advanta's Code of Conduct for prevention of Insider Trading, as approved by the Board of Directors, inter alia, prohibits purchase/sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

p. Compliance Certificate

Certificate from M/s. P.S. Rao & Associates, Company Secretaries in Practice, Hyderabad confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is annexed hereto.

This Certificate is forwarded to the Stock Exchanges along with the Annual Report of the Company.

q. CEO and CFO Certification

The CEO and CFO of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The CEO and CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41.

r. Any query on Annual Report:

Ms. Pushpalatha K
Company Secretary
Krishnama House, #8-2-418, 4th Floor, Road No.7,
Banjara Hills, Hyderabad-500 034. Telangana, India
website : www.advantaseeds.com

s. Other useful information to Shareholders

- i. Pursuant to the provisions of Section 205A of the Companies Act, 1956 the dividend declared by the Company which remains unclaimed for a period of seven years, shall be transferred to Investor Education & Protection Fund (IEPF) established by the Central Government under Section 205 C of the said Act.
- ii. During the year, the Company has transferred an amount of ₹13,385 from the unpaid dividend account-2006 to

Investor Education Protection Fund established by the Central Government.

- iii. The unclaimed dividend amount lying in the unpaid dividend account of the respective financial year is as follows. Investors are requested to encash the unclaimed dividend amount before it is transferred to IEPF account.

Financial Year	Unclaimed Dividend as on 31 st December, 2014	Estimated date for Transfer to IEPF
2007	HDFC Bank – ₹4,176	28.08.2015
2008	Axis Bank – ₹5,814	26.08.2016
2009	Yes Bank – ₹6,517	03.07.2017

- iv. Members holding shares in physical form are requested to notify to the Company, any change in their registered address and bank account details promptly by written request under the signature of sole/first joint holder. Members holding shares in electronic form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney etc. directly to their Depository Participant (DP) as the same are maintained by them.

The Non-resident members are advised to immediately notify the Company or to the DPs as the case may be (i) change in their residential status on return to India for permanent settlement (ii) particulars of their NRE bank account with a bank in India, if not furnished earlier.

- v. Members are requested to quote their folio/DP and Client ID nos., as the case may be, in all correspondence with the Company and the Registrar and Share Transfer Agent of the Company.
- vi. Nomination facility : Section 72 of the Companies Act, 2013 provides the nomination facility to share / debenture holders. This facility is mainly useful for all those holding the shares / debentures in single name. In cases where the securities are held in joint names, the nomination will be effective only in the event of death of all the joint holders.

Investors are advised to avail this facility, especially investors holding securities in single name.

The nomination form may be obtained on request from the Company's Registrar and Share Transfer Agents for the shares held in physical form. For the shares held in dematerialized form, the nomination has to be conveyed by the shareholders to their respective Depository Participant directly, as per the format prescribed by them.

- vii. Members are welcome to give us their valuable suggestions for improvement of investor services.

Declaration on Code of Conduct

I, Venkatram Vasantavada, Whole-Time Director of Advanta Limited, to the best of my knowledge and belief, declare that all the members of the Board and senior management personnel have affirmed compliance with the code of conduct of the Company for the year ended December 31, 2014.

Place: Mumbai
Date: February 02, 2015

Venkatram Vasantavada
Whole-Time Director

CEO / CFO Certification

To
The Board of Directors
Advanta Limited

We hereby certify that:

We have reviewed the financial statements and the cash flow statement of the Company for the year ended December 31, 2014 and to the best of our knowledge and belief:

- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting, evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or the operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify the identified deficiencies.

We have indicated to the auditors and the Audit Committee

- i. significant changes in the internal control over financial reporting during the year;
- ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, wherever applicable; and
- iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: February 02, 2015

Venkatram Vasantavada
Whole-Time Director

Sharat Chandra B
Chief Financial Officer

Compliance Certificate on Corporate Governance

To
The Members of Advanta Limited

We have examined the compliance of conditions of Corporate Governance by Advanta Limited, for the year ended December 31, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of the Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company and ensuring the compliance of the conditions of corporate governance.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the above mentioned listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Rao & Associates
Company Secretaries

Place: Hyderabad
Date: February 02, 2015

P.S. Rao
Partner
Membership No: 9769
C.P. No.: 3829

Standalone Financial Statements

Independent Auditor's Report

To
The Members of Advanta Limited
(Formerly Advanta India Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Advanta Limited ("the Company"), which comprise the Balance Sheet as at December 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements

in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs;
- (e) On the basis of written representations received from the directors as on December 31, 2014 under section 164(2) of the Companies Act, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on December 31 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956, provisions of which are consistent with those under section 164(2) of the Companies Act, 2013.

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration Number: 101049W

Chartered Accountants

per Shankar Srinivasan

Partner

Membership Number: 213271

Place: Mumbai

Date: February 02, 2015

Annexure referred to in paragraph 1 of our report of even date Re: Advanta Limited (Formerly Advanta India Limited)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There was no disposal of substantial part of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties (determined in the manner stated in clause (v) below) covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (b) The Company had taken loan from one company covered in the register maintained under section 301 of the Companies Act, 1956 (determined in the manner stated in clause (v) below). The maximum amount involved during the year was ₹4,000 lacs and the year-end balance of loans taken from such parties was ₹1,588 lacs.
- (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
- (d) In respect of loans taken, repayment of the principal amount is as stipulated and payment of interest has been regular.
- (iv) In our opinion and according to the information and explanations given to us and having regard to the explanation that certain sales transactions are of proprietary nature for which alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered. In evaluating the parties to be covered under section 301, only contracts or arrangements upto March 31, 2014 (being the last day up to which this section was applicable to the Company) have been considered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lacs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.

- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for the period upto March 31, 2014 (the Companies Act, 1956 and relevant section has been replaced by the Companies Act, 2013 effective April 1, 2014), and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (ix) (a) Undisputed statutory dues including investor education and protection fund, employees' state insurance, income-tax, wealth-tax, customs duty and other material statutory dues have generally been regularly deposited with the appropriate authorities except for service tax and provident fund *where there has been a slight delay in a few cases*. The provisions of sales-tax, excise duty and cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth tax, service tax, customs duty and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of sales-tax and customs duty which have not been deposited on account of any dispute except for income tax and service tax as follows:
- (x) The Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank or debenture holders. The company has no outstanding dues in respect of a financial institution.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.
- (xvi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

Name of the Statute	Nature of dues	Amount of demand (₹ In lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax#	103.94	A.Y. 1995-96	High Court
		12.02	A.Y. 1996-97	High Court
		17.35	A.Y. 1997-98	High Court
		253.12	A.Y. 2008-09	Income Tax Appellate Tribunal
		82.49	A.Y. 2010-11	The Commissioner of Income Tax (Appeals)
The Finance Act, 1994	Service tax including penalty	490.13	F.Y. 2006-07	The Customs, Excise and Service Tax Appellate Tribunal

Excluding interest and penalty.

- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956 for the period upto March 31, 2014 (the Companies Act, 1956 and the relevant sections has been replaced by the Companies Act, 2013 effective April 1, 2014).
- (xix) The Company has unsecured debentures outstanding during the year, on which no security or charge is required to be created.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration Number: 101049W

Chartered Accountants

per Shankar Srinivasan

Partner

Membership Number: 213271

Place: Mumbai

Date: February 02, 2015

Balance Sheet as at December 31, 2014

	Notes	As at	As at
		December 31, 2014	December 31, 2013
		₹ Lacs	₹ Lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,687.42	1,686.85
Reserves and surplus	4	31,126.11	31,620.43
		32,813.53	33,307.28
Non-current liabilities			
Long-term borrowings	5	31,608.49	45,712.22
Deferred tax liability, net	6	159.26	47.98
Other long term liabilities	7	51.27	64.65
Long-term provisions	8	260.50	101.91
		32,079.52	45,926.76
Current liabilities			
Short-term borrowings	9	5,773.68	4,096.56
Trade payables	10	1,739.77	1,163.05
Other current liabilities	11	1,238.94	7,222.59
Short-term provisions	8	140.17	116.25
		8,892.56	12,598.45
TOTAL		73,785.61	91,832.49
Assets			
Non-current assets			
Fixed assets			
-Tangible assets	12	1,847.30	1,777.27
-Intangible assets	13	2,549.42	3,338.36
Non-current investments	14	37,863.10	37,863.10
Long term loans and advances	15	23,088.26	40,009.56
		65,348.08	82,988.29
Current assets			
Inventories	16	1,988.36	661.23
Trade receivables	17	1,312.93	1,058.76
Cash and bank balances	19	2,268.45	3,006.27
Short-term loans and advances	15	405.95	266.40
Other current assets	18	2,461.84	3,851.54
		8,437.53	8,844.20
TOTAL		73,785.61	91,832.49
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For S.R.BATLIBOI & ASSOCIATES LLP
Firm Registration Number : 101049W
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Mumbai
Date: February 02, 2015

For and on behalf of the Board of Directors of
Advanta Limited

Jaidev R. Shroff
Chairman

Sharat Chandra B
Chief Financial Officer

Place: Mumbai
Date: February 02, 2015

Venkatram Vasantavada
Whole-Time Director

Pushpalatha K
Company Secretary

Statement of profit and loss for the year ended December 31, 2014

	Notes	For the year ended December 31, 2014	For the year ended December 31, 2013
		₹ Lacs	₹ Lacs
Income			
Revenue from operations	20	8,319.29	8,314.86
Other income	21	2,067.85	2,857.15
Total Revenue (i)		10,387.14	11,172.01
Expenses			
Cost of raw material consumed	22	3,937.75	2,835.56
(Increase)/decrease in inventories	23	(1,141.70)	777.64
Employee benefits expense	24	809.28	542.12
Other expenses	25	2,906.79	2,246.80
Total (ii)		6,512.12	6,402.12
Profit before interest, tax, depreciation and amortisation (i)-(ii)		3,875.02	4,769.89
Depreciation and amortisation expense	26	948.24	929.87
Finance costs	27	2,752.27	3,327.25
Profit before tax		174.51	512.77
Tax expenses			
Current tax		100.15	-
Less: MAT credit entitlement		(39.42)	-
Taxes for earlier years		519.77	-
Deferred tax charge		111.28	47.98
Total tax expense		691.78	47.98
Net profit		(517.27)	464.79
Earnings per share			
Basic (₹)	38	(0.61)	0.55
Diluted (₹)		(0.61)	0.55
Nominal value of equity shares (₹)		2.00	2.00
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For S.R.BATLIBOI & ASSOCIATES LLP
Firm Registration Number : 101049W
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Mumbai
Date: February 02, 2015

For and on behalf of the Board of Directors of
Advanta Limited

Jaidev R. Shroff
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Sharat Chandra B
Chief Financial Officer

Place: Mumbai
Date: February 02, 2015

Venkatram Vasantavada
Whole-Time Director

Pushpalatha K
Company Secretary

Cash flow statement for the year ended December 31, 2014

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Cash flow from operating activities		
Profit before exceptional item and taxation	174.51	512.77
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	948.24	929.87
Provision for bad and doubtful advances	110.09	120.90
Bad debts written off	6.55	37.03
Advances written off	0.09	-
Share issue expenses written off	-	84.41
Interest expenses	2,293.59	3,228.80
Unrealised exchange loss (net)	170.18	864.60
Investment written off	-	5.00
Interest income	(1,676.74)	(2,592.22)
Employee stock option compensation	7.13	7.13
Gain on buyback of debentures	-	(0.84)
Profit on sale of fixed assets, net	(0.54)	(8.89)
Provisions written back	(19.22)	(45.20)
Operating profit before working capital changes	2,013.88	3,143.36
Movement in working capital:		
(Increase)/decrease in inventories	(1,327.13)	640.68
(Increase)/decrease in trade receivable	(268.99)	350.56
(Increase)/decrease in other current assets	(1,398.96)	1,164.60
Increase in loans and advances	(220.79)	(184.72)
Decrease in trade payables and other current liabilities	(2,347.89)	(1,345.32)
Increase/(decrease) in provisions	182.50	(7.51)
Cash (used in)/generated from operations	(3,367.38)	3,761.65
Direct taxes paid (net of refunds)	(400.96)	(347.95)
Net cash (used in)/generated from operating activities (A)	(3,768.34)	3,413.70
Cash flow from investing activities		
Purchase of fixed assets including capital work in progress and capital advances	(221.50)	(165.20)
Loans/advances to subsidiaries received back	17,104.84	2,172.72
Proceeds from sale of fixed assets	1.05	10.22
Investments/redemption in bank deposits (having original maturity of more than three months)	(628.52)	(540.60)
Interest received	4,532.52	1,880.18
Net cash flow used in investing activities (B)	20,788.39	3,357.32

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Cash flow from financing activities		
Repayment of long-term borrowings	(2,500.00)	(2,500.00)
Proceeds from short-term borrowings	8,177.12	5,350.00
Repayment of short term borrowings	(6,500.00)	(4,703.44)
Proceeds from issue of equity share capital	16.40	15.18
Proceeds from re-issue of debentures	-	1,300.00
Repayment on buy back of debentures	(14,700.00)	(1,499.16)
Proceeds from government grants	-	81.57
Utilisation of government grants	(13.38)	(22.20)
Interest paid	(2,866.53)	(3,085.04)
Net cash used in financing activities	(18,386.39)	(5,063.09)
Net (decrease)/increase in cash and cash equivalents	(1,366.34)	1,707.93
Cash and cash equivalents at the beginning of the year	2,038.20	330.27
Cash and cash equivalents at the end of the year	671.86	2,038.20
Components of cash and cash equivalents		
Cash on hand	0.54	0.50
Balances with scheduled banks on current accounts	87.95	2,037.59
Deposits with original maturity for less than three months	583.26	-
Unpaid dividend accounts (refer note a below)	0.11	0.11
Total cash and cash equivalents (refer note 19)	671.86	2,038.20
Summary of significant accounting policies	2.1	

As per our report of even date.

a. These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

For S.R.BATLIBOI & ASSOCIATES LLP
Firm Registration Number : 101049W
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Mumbai
Date: February 02, 2015

For and on behalf of the Board of Directors of
Advanta Limited

Jaidev R. Shroff
Chairman

Sharat Chandra B
Chief Financial Officer

Place: Mumbai
Date: February 02, 2015

Venkatram Vasantavada
Whole-Time Director

Pushpalatha K
Company Secretary

Notes to financial statements for the year ended December 31, 2014

1 Corporate information

Advanta Limited (Formerly Advanta India Limited) ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange. The Company is engaged in the business of research, production and sale of field crop and vegetable seeds through distributors to farmers.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956, read with General circular 8/2014 dated 4 April 2014 issued by Ministry of Corporate Affairs. The financial statements have been prepared on an accrual basis and under the historical cost convention except for derivative financial instruments which have been measured at fair value. The accounting policies have been consistently applied and are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the reporting year end. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and impairment losses if any. The cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its

intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(c) Depreciation on tangible fixed assets

Depreciation on building and plant and machinery is provided for in the accounts on straight line method in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956 which coincides with the useful life of the assets estimated by the Management.

Depreciation on other assets is provided using the Straight Line Method as per the useful life of the assets estimated by the management, or at the rates prescribed under Schedule XIV of the Companies Act, 1956 whichever is higher.

	Rate (SLM)	Rate as per Schedule XIV (SLM)
Furniture and fixtures	10.00%	6.33%
Motor vehicles	20.00%	9.50%
Computer and computer equipments*	20.00%	16.21%
Office equipments*	10.00%	4.75%

Individual fixed assets costing less than ₹5,000 are fully depreciated in the year of purchase.

Lease hold improvements are depreciated over the period of lease which is generally ten years.

*Included in Plant and machinery.

(d) Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(e) Intangible assets

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably. Intangible assets are stated at cost less accumulated amortisation.

Costs relating to intangible assets, which are acquired, are capitalised and amortised on a straight-line basis over their useful lives.

Useful life

Technical Knowhow	10 years
Technology license fees	5 years
Germ plasm	10 years
Software	10 years
Trade marks/brands	10 years

Goodwill arising on acquisition of business is not amortised, but tested for impairment at the end of each

balance sheet date and any impairment loss arises is recognized in the Statement of Profit and Loss.

(f) Research and development

Research expenditure is charged to revenue in the year in which it is incurred. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortised over the period of expected future benefit.

(g) Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(h) Government grants

Grants from the government are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Government grants received in the nature of investment subsidy are treated as capital reserve.

(i) Investments

Investments which are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(j) Inventories

Inventories are valued as follows:

Raw materials, Packing Materials:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work-in-progress and finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

Traded goods:

Lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- i)** Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods have passed to the buyer which generally coincides with dispatch of goods (including sale of remnants) to the customer. The sales are net of sales return.
- ii)** Interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the Statement of Profit and Loss.
- iii)** Dividend is recognized when the company's right to receive payment is established by the Balance Sheet date.
- iv)** Royalty is recognised on an accrual basis in accordance with the terms of the relevant agreement.

(l) Foreign currency translation**Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment. Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Exchange difference arising on financing activities are reflected under finance cost.

(m) Derivative instruments

As per the ICAI announcement, accounting for derivative contracts, other than those covered under AS 11, are marked to market on a portfolio basis, and the net loss is charged to the Statement of Profit and Loss. Net gains are ignored.

(n) Retirement and other employee benefits

- i)** Retirement benefit in the form of provident fund and superannuation are defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund and superannuation fund. The Company recognizes contribution payable to the provident fund scheme and superannuation scheme as an expenditure, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already

paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

- ii) Gratuity liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

- iv) Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(o) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year, in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(p) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(r) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(s) Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(t) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the

option on a straight line basis.

(u) Segment reporting**Identification of segments:**

Segments are identified in line with AS 17 "Segment Reporting", taking into consideration the internal organization and management structure as well as the differential risk and returns of the segment.

Based on the Company's business model, research, production and distribution of Hybrid seeds have been considered as the only reportable segment and hence no separate financial disclosure is provided in respect of its single business segment.

Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

(v) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3. Share capital

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Authorised shares		
303,100,000 equity shares of ₹2/- each (Previous year : 303,100,000 equity shares of ₹2/- each)	6,062.00	6,062.00
16,380,000 (Previous year : 16,380,000) preference shares of ₹10/- each	1,638.00	1,638.00
Issued, subscribed and fully paid up shares		
84,371,095 equity shares of ₹2/- each fully paid-up (Previous year: 84,342,325 equity shares of ₹2/- each fully paid up)	1,687.42	1,686.85
Total issued, subscribed and fully paid up share capital	1,687.42	1,686.85

Pursuant to the resolution by the members in their annual general meeting held on June 5, 2013 existing equity share of the face value of ₹10/- each stands sub-divided into five equity shares of the face value of ₹2/- each.

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	As at December 31, 2014		As at December 31, 2013	
	No's in Lacs	₹ Lacs	No's in Lacs	₹ Lacs
At the beginning of the year	843.42	1,686.85	843.15	1,686.31
Issued during the year - ESOP	0.29	0.57	0.27	0.54
Outstanding at the end of the year	843.71	1,687.42	843.42	1,686.85

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of ₹2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

	As at	As at
	December 31, 2014	December 31, 2013
	No's in Lacs	No's in Lacs
Equity share of ₹2/- each issued during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee services.	1.88	1.70

(d) Details of shareholding more than 5% shares in the Company

Name of the shareholder	As at December 31, 2014		As at December 31, 2013	
	No's in lacs	% holding	No's in lacs	% holding
UPL Limited (Formerly United Phosphorus Limited)	427.24	50.64	420.00	49.80
Jaidev R Shroff	50.77	6.02	50.77	6.02
Vikram R Shroff	42.33	5.02	42.33	5.02

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 32.

For details of shares reserved for issue on conversion of FCCB, please refer note 5 regarding terms of conversion/redemption of FCCB.

4. Reserves and surplus

	As at December 31, 2014 ₹ Lacs	As at December 31, 2013 ₹ Lacs
Capital reserve	873.31	873.31
Capital redemption reserve	25.00	25.00
General reserve	1,852.14	1,852.14
Securities premium account		
Balance, as per last financial statements	29,638.88	29,624.23
Add : Additions on ESOPs exercised	18.83	14.65
Balance, at the end of the year	29,657.71	29,638.88
Debenture redemption reserve		
Balance, as per last financial statements	2,177.62	1,712.83
Add: Transfer from surplus balance in the Statement of Profit and Loss	-	464.79
Balance, at the end of the year	2,177.62	2,177.62
Employee stock options outstanding		
Balance, as per last financial statements	13.07	5.94
Add: Gross compensation for options granted during the year	7.13	7.13
Less: Transfer to securities premium on exercise of stock options	(3.01)	-
Balance, at the end of the year	17.19	13.07
Surplus / (deficit) in the statement of profit and loss		
Balance, as per last financial statements	(2,959.59)	(2,959.59)
Add: (Loss)/Profit for the year	(517.27)	464.79
Balance, at the end of the year	(3,476.86)	(2,494.80)
Less: Appropriations		
Transfer to debenture redemption reserve	-	464.79
Total Appropriations	-	464.79
Net deficit in the statement of profit and loss	(3,476.86)	(2,959.59)
Total reserves and surplus	31,126.11	31,620.43

5. Long - term borrowings

	Non-current portion		Current maturities	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
(a) Bonds/debentures				
Unsecured redeemable non convertible debentures (Refer note a below)	-	14,700.00	-	-
Foreign currency floating rate guaranteed convertible bonds (Unsecured) (FCCB's) (refer note b below)	31,517.50	30,907.50	-	-
(b) Term loans				
From banks				
Indian rupee loan (Unsecured) (Refer note c below)	-	-	-	2,500.00
(c) Other loans and advances				
Loan from Biotechnology Industry Research Assistance (BIRAC) (Secured) (refer note d below)	90.99	104.72	13.73	-
	31,608.49	45,712.22	13.73	2,500.00

	Non-current portion		Current maturities	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
The above amount includes:				
Secured borrowings	90.99	104.72	13.73	-
Unsecured borrowings	31,517.50	45,607.50	-	2,500.00
Amount disclosed under the head "other current liabilities" (refer note 11)	-	-	(13.73)	(2,500.00)
Net amount	31,608.49	45,712.22	-	-

Notes:

- a) Unsecured redeemable non convertible debentures
- 1) ₹ Nil (Previous year: ₹14,700 lacs) non convertible debentures (NCDs) consisting of Nil (Previous year: 1,470) unsecured redeemable non convertible debentures of ₹10 lacs each redeemable at par at the end of five years from the date of allotment viz March 13, 2010 or at every interest payment date, which is on quarterly basis at the option of the Company.
 - 2) NCD's carry a coupon rate of Indian Benchmark rate (INBMK) +2% with a minimum floor price of 10% per annum.
 - 3) As per the Information Memorandum for Non-convertible Debentures issued by the Company, the Company is authorised to purchase its own NCDs from time to time from the open market in accordance with the applicable laws. Pursuant to the said Information Memorandum, the Company during the current year, has purchased 1,470 NCDs (Previous year: 150 NCDs) and reissued in the current year Nil (Previous year: 130 NCDs) and at the year end 1,620 NCDs (Previous year: 150 NCDs) are in the name of the Company. Outstanding NCDs referred in Note 5(a) above excludes the debentures held in the name of the Company as on December 31, 2014, in respect of which the Company shall have the right to re-issue the debentures as and when the Company may deem fit.
- b) Foreign currency floating rate guaranteed convertible bonds are due in 2016.
- 250 Floating rate guaranteed convertible bonds of USD 200,000 each:
- 1) FCCB's are convertible by the bondholders into ordinary equity or Global Depository Shares (GDSs) at any time on and after July 15, 2011 up to the close of business on July 2, 2016. The FCCB's will be convertible at an initial conversion price of ₹56.57 per share of ₹2/- each and are listed on Singapore Stock Exchange.
 - 2) FCCB's are redeemable, in whole but not in part, at the option of the Company on or at any time after July 9, 2014, subject to the fulfillment of certain terms and obtaining requisite approvals.
 - 3) FCCB's are redeemable on maturity date of July 9, 2016 at par, if not redeemed or converted earlier.
 - 4) FCCB's carry an interest rate of LIBOR+3.5%.
- c) Term loans of ₹ Nil (Previous year: ₹2,500 lacs) from bank which carried interest rate of 12.00% to 13.25% per annum and was repayable in 8 quarterly installments of ₹625 lacs starting from January 2013. The loan has been repaid during the current year.
- d) The Company has entered into an agreement with the BIRAC, Ministry of Science and Technology, Government of India ('DBT') for seeking assistance in the form of grant/loan under the DBT scheme, viz. Biotechnology Industry Partnership Program ('BIPP' scheme) in relation to project of "Multi stacking genes to develop engineered rice with enhanced drought and multiple disease and pest tolerance ("Rice Project")" and "RNAi and other cutting edge technological interventions to develop insect-pest, diseases and viruses tolerant tomato hybrids for Indian and International markets ("Tomato Project")" ("the projects"), in connection with the same the Company has received assistance in the form of loan at interest rate of 2%/3% for ₹104.72 lacs (Previous year: ₹104.72 lacs) and in the form of grant for ₹104.72 lacs (Previous year: ₹104.72 lacs). The unutilised grant of ₹51.27 lacs (Previous year: ₹64.65 lacs) is considered as "other long term liabilities".

Loan amounting to ₹72.17 lacs pertaining to rice project is repayable in 10 equal half yearly installments starting from August 2015 and loan amounting to ₹32.55 lacs pertaining to tomato project is repayable in 10 equal half yearly installments starting from April 2015.

The loan is secured by way of hypothecation of all equipment, apparatus, machineries, machinery spares and other accessories, goods and/or other movable property, and/or immovable property of the Company acquired for the project through contribution by the Company and/or by the DBT to a value equivalent to loan amount and interest thereon. In view of the transfer of BIPP scheme from DBT to BIRAC, the Company has executed the Agreements and will shortly execute the Deed of hypothecation in favour of BIRAC.

6. Deferred tax liability, net

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	690.87	810.32
Gross deferred tax liability	690.87	810.32
Deferred tax asset		
Provision for doubtful debts and advances	441.82	39.23
Provision for gratuity	44.03	41.22
Provision for leave encashment	45.76	29.56
Provision for incentives	-	22.53
Carry forward business losses	-	629.80
Gross deferred tax asset	531.61	762.34
Deferred tax liability, net	159.26	47.98

7. Other long term liabilities

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Others		
Deferred government grant [refer note 5 (d)]	51.27	64.65
	51.27	64.65

8. Provisions

	Long term		Short term	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
Provisions for employee benefits				
Provision for leave benefits	174.67	26.70	90.29	64.41
Provision for gratuity (refer note 36)	85.83	75.21	49.88	51.84
	260.50	101.91	140.17	116.25

9. Short term borrowings

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
(a) On cash credit and working capital demand loan from banks		
(i) Secured (refer note (a) and (b) below)	273.68	96.56
(ii) Unsecured (refer note (a) below)	4,000.00	2,500.00
(b) Loans from related parties (Unsecured) (refer note (c) below)	1,500.00	1,500.00
	5,773.68	4,096.56
The above amount includes:		
Secured borrowings	273.68	96.56
Unsecured borrowings	5,500.00	4,000.00
	5,773.68	4,096.56

Notes:

- Cash credit and working capital demand loans carry an interest rate ranging from 3% to 13.5% per annum.
- Cash credit is secured by pari passu first charge by way of hypothecation of entire stocks of raw materials, finished goods, work-in-process, consumable stores and spares and such other movable including book-debts, outstanding monies, receivables, both present and future.
- Unsecured loan from related parties are repayable on demand and carry interest rate of 13% per annum.

10. Trade payables

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Trade payables (refer note 31 for details of dues to micro and small enterprises)	1,739.77	1,163.05
	1,739.77	1,163.05

11. Other current liabilities

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Other liabilities		
Current maturities of long term borrowings (refer note 5)	13.73	2,500.00
Interest accrued but not due on borrowings	346.17	779.85
Interest accrued and due on borrowings	88.47	227.73
Investor education and protection fund will be credited by following amounts (as and when due)		
- Unpaid dividend	0.11	0.11
Provision for mark to market losses on derivatives (net)	-	2,313.78
Other payables		
Advance from customers	154.20	138.64
Advance from subsidiaries	427.46	1,026.88
Trade deposits	149.84	151.34
Capital creditors	6.60	6.37
Others		
- Withholding tax payable	29.04	35.62
- Service tax payable	9.91	28.76
- Provident fund payable	12.97	13.06
- Others	0.44	0.45
	1,238.94	7,222.59

12. Tangible assets

	Land - Freehold	Buildings	Plant and machinery**	Furniture and fixtures	Motor vehicles	Leasehold improvements	Total
₹ Lacs							
Cost							
As at January 1, 2013	129.92	519.53	1,988.83	302.08	143.11	59.22	3,142.69
Additions	-	3.00	125.87	21.35	2.83	-	153.05
Disposals	-	-	-	-	24.65	-	24.65
As at December 31, 2013	129.92	522.53	2,114.70	323.43	121.29	59.22	3,271.09
Additions	-	-	180.05	32.19	17.60	-	229.84
Disposals	-	-	0.40	-	9.04	-	9.44
As at December 31, 2014	129.92	522.53	2,294.35	355.62	129.85	59.22	3,491.49
Depreciation							
As at January 1, 2013	-	173.98	907.91	140.88	137.63	13.60	1,374.00
Charge for the year	-	15.59	94.06	27.44	0.13	5.92	143.14
Disposals	-	-	-	-	23.32	-	23.32
As at December 31, 2013	-	189.57	1,001.97	168.32	114.44	19.52	1,493.82
Charge for the year	-	15.62	105.36	29.71	2.98	5.63	159.30
Disposals	-	-	0.35	-	8.58	-	8.93
As at December 31, 2014	-	205.19	1,106.98	198.03	108.84	25.15	1,644.19
Net block							
As at December 31, 2013	129.92	332.96	1,112.73	155.11	6.85	39.70	1,777.27
As at December 31, 2014	129.92	317.34	1,187.37	157.59	21.01	34.07	1,847.30

*Includes assets given on operating lease

13. Intangible assets

₹ Lacs

	Goodwill	Technical Knowhow	Technology Licence Fees	Germplasm	Software	Brands/Trade Marks **	Total
Cost							
As at January 1, 2013	696.43	1,095.35	32.00	815.49	136.10	6,304.71	9,080.08
Additions	-	-	-	53.09	-	-	53.09
As at December 31, 2013	696.43	1,095.35	32.00	868.58	136.10	6,304.71	9,133.17
Additions	-	-	-	-	-	-	-
As at December 31, 2014	696.43	1,095.35	32.00	868.58	136.10	6,304.71	9,133.17
Amortisation							
As at January 1, 2013	-	906.85	32.00	419.14	62.38	3,587.71	5,008.08
Charge for the year	-	58.00	-	84.65	13.61	630.47	786.73
As at December 31, 2013	-	964.85	32.00	503.79	75.99	4,218.18	5,794.81
Charge for the year	-	58.00	-	86.86	13.61	630.47	788.94
As at December 31, 2014	-	1,022.85	32.00	590.65	89.60	4,848.65	6,583.75
Net block							
As at December 31, 2013	696.43	130.50	-	364.79	60.11	2,086.53	3,338.36
As at December 31, 2014	696.43	72.50	-	277.93	46.50	1,456.06	2,549.42

* The Company is in the process of transferring the same in its own name. There are no disposals in the current and previous year.

14. Non current investments

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
A. Trade investments (Valued at cost unless stated otherwise)		
I. Investment in equity instruments		
(i) Investment in subsidiaries (Unquoted)		
(a) 3,053 (Previous year: 3,053) equity shares of Euro 100 each, fully paid-up in Advanta Holdings B.V., Netherlands	16,816.43	16,816.43
(b) 99,000 (Previous year: 99,000) equity shares of \$ 1 each, fully paid-up in PT Advanta Indonesia	52.00	52.00
(c) 2 (Previous year: 2) ordinary shares of \$ 1 each, fully paid-up in Advanta Seed International, Mauritius	0.00	0.00
Total I	16,868.43	16,868.43
II. Investments in preference shares		
Investment in subsidiaries (Unquoted)		
6,393 (Previous year: 6,393) Preference shares of Euro 5,000 each, fully paid-up in Advanta Holdings B.V., Netherlands	20,994.14	20,994.14
Total II	20,994.14	20,994.14
Total A (I+II)	37,862.57	37,862.57
B. Non Trade investment (valued at cost unless stated otherwise)		
Investment in government or trust securities (Unquoted)		
National savings certificate	0.42	0.42
Indira Vikas Patra	0.11	0.11
Total B	0.53	0.53
Total (A+B)	37,863.10	37,863.10
Aggregate amount of unquoted investments	37,863.10	37,863.10

15. Loans and advances

	Long term		Short term	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
Advances and loans to subsidiary				
Unsecured, considered good	20,674.85	37,379.54	-	-
A	20,674.85	37,379.54	-	-
Capital advance				
Unsecured, considered good	31.90	40.02	-	-
B	31.90	40.02	-	-
Sundry deposits				
Unsecured, considered good	102.98	92.49	-	-
Doubtful	45.84	45.84	-	-
	148.82	138.33	-	-
Provision for doubtful sundry deposits	45.84	45.84	-	-
C	102.98	92.49	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	142.92	142.93	320.67	228.21
Doubtful	556.76	440.53	-	-
	699.68	583.46	320.67	228.21
Provision for doubtful advances	556.76	440.53	-	-
D	142.92	142.93	320.67	228.21
Other loans and advances (Unsecured)				
Advance income tax (net of provision for taxation)	2,135.61	2,354.58	-	-
MAT credit entitlement	-	-	39.42	-
Prepaid expenses	-	-	45.86	38.19
E	2,135.61	2,354.58	85.28	38.19
Total (A+B+C+D+E)	23,088.26	40,009.56	405.95	266.40

16. Inventories (at lower of cost and net realisable value)

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Packing materials	44.78	30.57
Work in progress - Seeds	0.28	13.51
Raw seeds	304.30	133.08
Finished goods		
Basic seeds	11.27	11.32
Hybrid seeds*	1,627.73	472.75
	1,988.36	661.23

*Includes trading goods of ₹8.49 lacs (Previous year: ₹ Nil).

17. Trade receivables

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Unsecured, considered good unless stated otherwise Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	112.74	79.33
Doubtful	798.45	798.45
	911.19	877.78
Provision for doubtful receivables	798.45	798.45
	112.74	79.33
Other receivables		
Unsecured and considered good	1,200.19	979.43
	1,312.93	1,058.76

18. Other current assets

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Unsecured considered good unless stated otherwise		
Interest accrued on loans and advances to subsidiaries	83.04	2,927.57
Reimbursement receivable from group companies	2,188.01	881.03
Royalty receivable	159.10	-
Interest accrued on fixed deposits	31.69	42.94
	2,461.84	3,851.54

19. Cash and bank balances

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Cash and cash equivalents		
Balance with banks		
- On current accounts	87.95	2,037.59
- Deposits with original maturity for less than three months	583.26	-
- On unpaid dividend accounts	0.11	0.11
Cash on hand	0.54	0.50
	671.86	2,038.20
Other current bank balances		
Deposits with original maturity for more than twelve months	0.11	0.11
Margin money deposit (Under lien with bank)	1,596.48	967.96
	1,596.59	968.07
	2,268.45	3,006.27

20. Revenue from operations

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Revenue from operations		
Sale of seeds*	6,851.10	7,159.66
	6,851.10	7,159.66
Other operating revenue		
Sale of remnants	33.36	28.12
Royalty income	1,218.39	930.95
Government grant [refer note 5 (d)]	13.37	22.20
Lease rent income	150.00	150.00
Miscellaneous income	53.07	23.93
	1,468.19	1,155.20
	8,319.29	8,314.86

* Includes sale of traded goods of ₹2,115.29 lacs (Previous year: ₹1,823.65 lacs).

21. Other income

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Interest income on		
- Bank deposits	157.02	104.39
- Loans to subsidiaries	1,315.66	2,487.83
- Others	204.06	-
Gain on buy back of debentures	-	0.84
Exchange difference (net)	-	24.16
Provisions written back	19.22	45.20
Profit on sale of fixed assets (net)	0.54	8.89
Commission income	270.35	163.26
Miscellaneous income	101.00	22.58
	2,067.85	2,857.15

22. Cost of raw material consumed

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Inventories at the beginning of the year	133.08	0.44
Add: Produced	1,828.46	883.72
Less: Inventories at the end of the year	304.30	133.08
Consumption of raw seed	1,657.24	751.08
Purchase of seeds *	2,063.24	1,931.12
Chemical and fertilizer consumed	81.08	51.97
Freight inwards	136.19	101.39
	3,937.75	2,835.56

* Includes purchase of traded goods of ₹1,584.58 lacs (Previous year ₹1,640.76 lacs)

23. (Increase)/ decrease in inventories

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Inventories at the end of the year		
Work - in - process	0.28	13.51
Finished goods	1,639.00	484.07
	1,639.28	497.58
Inventories at the beginning of the year		
Work - in - process	13.51	1,039.41
Finished goods	484.07	235.81
	497.58	1,275.22
	(1,141.70)	777.64

24. Employee benefits expense*

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Salaries, wages and bonus	704.51	450.36
Contribution to provident and other funds (refer note 36)	32.44	41.32
Employee stock option compensation	7.13	7.13
Gratuity expenses (refer note 36)	40.67	33.69
Staff welfare expenses	24.53	9.62
	809.28	542.12

*Refer to note 35 on expenditure reimbursement.

25. Other expenses*

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Power and fuel	54.70	55.60
Seed processing and other charges	651.75	424.40
Repairs and maintenance		
- Buildings	-	0.01
- Machinery	5.48	4.21
- Others	21.98	12.32
Rent	364.32	298.95
Rates and taxes	29.98	195.86
Insurance	12.20	2.33
Packing material consumed	47.38	88.23
Clearing and forwarding charges	530.06	397.36
Travelling and conveyance	149.97	106.63
Communication costs	29.37	15.12
Printing and stationery	10.13	9.96
Production and farm expenses	311.12	219.53
Provision for bad and doubtful advances	110.09	120.90
Legal and consultancy charges (refer note below)	229.80	126.13
Investment written off	-	5.00
Bad debt written off	6.55	37.03
Advances written off	0.09	-
Share issue expenses written off	-	84.41
Exchange difference (net)	153.18	-
Miscellaneous expenses	188.64	42.82
	2,906.79	2,246.80

* Refer to note 35 on expenditure reimbursement.

Payment to Auditor, included in Legal and consultancy charges

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Audit fees	19.00	19.00
Fee for certification	0.82	1.35
Taxation matters	17.33	3.03
Others	0.83	4.00
	37.98	27.38

26. Depreciation and amortisation

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Depreciation on tangible assets (refer note 12)	159.30	143.14
Amortisation of intangible assets (refer note 13)	788.94	786.73
	948.24	929.87

27. Finance costs

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Interest	2,293.59	3,228.80
Exchange difference, net	437.44	64.76
Other financials charges	21.24	33.69
	2,752.27	3,327.25

28. Contingent liabilities

- Income tax matters under dispute: Pending with authorities at various levels. ₹1,419.52 lacs (Previous year: ₹2,856.88 lacs) excluding interest and penalty.
- Service tax matters under dispute: Pending with CESTAT, Bangalore ₹490.13 lacs (Previous year: 490.13) exclusive of penal interest.
- Claims against the Company not acknowledged as debts ₹52.97 lacs (Previous year: ₹73.75 lacs).

In respect of items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments/decisions pending at various forums/authorities. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Company's financial position and results of operations.

- In January, 2013, the Company has received a show cause notice from the Directorate of Enforcement, alleging that the Company has contravened certain provisions of the Foreign Exchange Management Act, 1999 with regard to foreign direct investment made/received and its utilisation. The Management has replied to the show cause notice and had personal hearings to represent their matter and the same is pending before the authority and believes that there is a fair chance of defending the case based on internal assessment/legal opinion.
- Guarantee given by the Company on behalf of subsidiary companies ₹23,511.11 lacs (Previous year: ₹17,279.03 lacs).

29. Capital and other commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) ₹56.41 lacs (Previous year: ₹44.15 lacs).
- b) For commitments relating to lease arrangements, please refer note 37.

30. Government grants / subsidy

Capital reserve represents State Investment subsidy sanctioned by the Government of Andhra Pradesh, for setting up of a unit at Toopran Mandal, Andhra Pradesh under Target 2000 Scheme of the State Government.

31. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2012

Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006", to whom the Company has paid interest or any interest payable on balances outstanding as at December 31, 2014 and December 31, 2013.

32(i) Employees stock option plan (ESOP)

The Company provides share-based payments to its employees. During the year ended December 31, 2014, the following employee stock option plans (ESOPs) were in existence. The relevant details of the scheme and the grant are as follows:

a Employees stock option and share plan 2006

The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on September 20, 2006 which provides for a grant of 840,000 options (each option convertible into share) to employees.

Particulars	December 31, 2014	December 31, 2013
Options granted during the year 2006 to 2012 (net of options lapsed)	586,075	631,450
Method of settlement (Cash/Equity)	Equity	Equity
Vesting period	Spread over 4 years and 6 months	Spread over 4 years and 6 months
Exercise period	10 years	10 years

b The details of the activity have been summarized below

Particulars	As at December 31, 2014	As at December 31, 2013
	(No. of equity shares)	(No. of equity shares)
Outstanding at the beginning of the year	461,625	560,065
Exercisable at the beginning of the year	255,975	226,170
Forfeited during the year	37,125	58,445
Exercised during the year	28,770	26,610
Vested during the year	57,425	69,800
Expired during the year	8,250	13,385
Outstanding at the end of the year	387,480	461,625
Exercisable at the end of the year	276,380	255,975
Weighted average remaining contractual life (in years)	7.01	6.23

For options exercised during the year, the weighted average share price at the exercise date was ₹231.10 (Previous year: ₹154.89).

c Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	December 31, 2014	December 31, 2013
Weighted average share price/market price (₹per share)	68.75	68.75
Exercise price (₹per share)	57.00	57.00
Expected volatility	64.49%	64.49%
Expected life	Vesting period + 18 months	Vesting period + 18 months
Expected dividends	0.30% per annum	0.30% per annum
Average risk-free interest rate	8.04% per annum	8.04% per annum

d Effect of the employee option plan on the Statement of Profit and Loss and on its financial position

Particulars	December 31, 2014	December 31, 2013
	₹ In lacs	₹ In lacs
Total employee compensation cost pertaining to stock option plan	7.13	7.13
Liability for employee stock option plan outstanding as at the year end	17.19	13.07

32(ii) Employees stock option plan (ESOP) 2013

- a The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on December 03, 2013 which provides for a grant of 1,300,000 options (each option convertible into share) to employees.

Particulars	December 31, 2014		
	Dates of grant	30-Jan-14	27-May-14
Dates of board approval	30-Jan-14	27-May-14	25-Jul-14
Date of shareholders approval	3-Dec-13	3-Dec-13	3-Dec-13
Number of options granted	711,752	35,000	5,630
Method of settlement (Cash / Equity)	Equity	Equity	Equity
Vesting period	Spread over 4 years		
Exercise period	60 months from the date of grant		

b The details of the activity have been summarized below

Particulars	As at December 31, 2014	As at December 31, 2013*
	(No. of equity shares)	(No. of equity shares)
Outstanding at the beginning of the year	-	-
Exercisable at the beginning of the year	-	-
Granted during the year	752,382	-
Outstanding at the end of the year	752,382	-
Exercisable at the end of the year	-	-
Weighted average remaining contractual life (in years)	4.10	-

* Not applicable since no ESOP's were granted during the previous year.

c Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	December 31, 2014	December 31, 2013
Weighted average share price/market price (₹per share)	112.81	-
Exercise price (₹per share)	Grant 1 ₹103.80	-
	Grant 2 ₹262.75	-
	Grant 3 ₹319.70	-
Expected volatility	49.17%	-
Expected life	Vesting period + 6 months	-
Expected dividends	0%	-
Average risk-free interest rate	8.71% per annum	-

d Intrinsic value is ₹ Nil for the options granted, hence no employee stock option compensation.

e Since, the Company used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value method is as under:

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ In lacs	₹ In lacs
Net (loss)/profit as reported	(517.27)	464.79
Add: Employee stock compensation under intrinsic value method	7.13	7.13
Less: Employee stock compensation under fair value method	103.63	25.65
Proforma (loss)/profit	(613.77)	446.27
Earning per share (₹)		
Basic		
- as reported	(0.61)	0.55
- Proforma	(0.72)	0.53
Diluted		
- as reported	(0.61)	0.55
- Proforma	(0.72)	0.53

33. Segment information

In accordance with accounting standard 17-Segment Reporting, segment information has been given in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in the financial statements.

34. Related party disclosures

a Names of related parties where control exist irrespective of whether transactions have occurred or not

Subsidiaries

Name of the Company	Country of incorporation
Advanta Holdings B.V.	Netherlands
Advanta Netherlands Holding B.V.	Netherlands
Pacific Seeds (Thai) Limited	Thailand
Pacific Seeds Holdings (Thailand) Limited	Thailand
Advanta Seeds Pty Ltd (Formerly Pacific Seeds Pty Ltd)	Australia
Advanta Semillas SAIC	Argentina
Advanta Seed International	Mauritius
Longreach Plant Breeders Management Pty Ltd	Australia
PT Advanta Seeds Indonesia	Indonesia
Advanta US Inc.	USA
Advanta Seeds Limited (wound up w.e.f. October 22, 2013)	India
Advanta Comercio De Sementas Ltda	Brazil
Advanta (B.V.I) Limited	British Virgin Islands
Advanta Seeds JLT	Dubai

b Names of other related parties with whom transactions have taken place during the year

Enterprises having significant influence

UPL Limited (Formerly United Phosphorus Limited)

Jai Research Foundation

Demuric Holdings Private Limited

Swal Corporation Limited

Key managerial person

Mr. Venkatram Vasantavada – Whole Time Director (appointed w.e.f. November 01, 2014)

Mr. V. R. Kaundinya - Managing Director (resigned w.e.f. January 01, 2014)

c Transactions with related parties during the year and balances at year end

A UPL Limited (Formerly United Phosphorus Limited)

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Purchase of goods	209.47	272.41
Sale of goods	2,559.67	1,358.92
Reissue of non convertible debentures	-	1,300.00
Repurchase of non convertible debentures	9,500.00	1,500.00
Commercial paper redeemed	-	1,500.00
Lease rent income	150.00	150.00
Royalty	1,218.39	930.95
Loan received	4,000.00	2,850.00
Loan repaid	4,000.00	2,650.00
Reimbursement of expenses received - R&D (refer note 35)	314.00	709.01
Reimbursement of expenses received - others (refer note 35)	339.60	236.26
Interest expense	436.61	1,261.30
Transfer of customer balances	8.11	4.39
Balance as on the Balance Sheet date		
Interest payable	88.47	492.59
Redeemable non convertible debentures outstanding	-	9,500.00
Loan payable	1,500.00	1,500.00
Current assets	744.35	295.59
Current liabilities	-	61.18

B Advanta Netherlands Holdings BV

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Reimbursement of expenses received - R&D (refer note 35)	543.53	340.02
Reimbursement of expenses received - others (refer note 35)	631.52	934.11
Miscellaneous Income (mark up on reimbursements)	98.05	-
Balance as on the Balance Sheet date		
Current assets	1,098.10	162.94
Current liabilities	-	-

C Advanta Semillas SAIC

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Reimbursement of expenses received - others (refer note 35)	97.43	67.88
Commission income	54.44	54.46
Balance as on the Balance Sheet date		
Current assets	532.44	369.05
Contingent liability (corporate guarantee given (refer note no 28))	6,524.12	5,161.55

D Advanta Seeds Pty Ltd

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Reimbursement of expenses made	2.22	7.70
Reimbursement of expenses received - others (refer note 35)	0.68	-
Purchase of goods	620.21	76.40
Commission income	92.43	53.89
Balance as on the Balance Sheet date		
Current assets	283.41	182.44
Current liabilities	358.04	217.85
Contingent liability (corporate guarantee given (refer note no 28))	8,792.43	9,366.27

E Pacific Seeds (Thai) Limited

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Sales of goods	1,788.69	1,650.85
Purchase of goods	17.83	763.53
Reimbursement of expenses -others (refer note 35)	0.48	2.40
Commission income	-	53.64
Balance as on the balance sheet date		
Current assets	60.26	59.57
Current liabilities	3.95	3.87
Contingent liability (corporate guarantee given (refer note no 28))	-	2,751.21

F Pacific Seeds Holdings (Thailand) Limited

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Balance as on the Balance Sheet date		
Current liabilities	5.75	5.66

G Advanta Seed International

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Reimbursement of expenses received - others (refer note 35)	713.04	409.42
Reimbursement of expenses made	-	0.72
Commission income	123.48	-
Advance given	-	0.29
Balance as on the Balance Sheet date		
Interest receivable	-	30.18
Current assets	182.59	424.70
Current liabilities	421.70	1,021.22
Contingent liability (corporate guarantee given (refer note no 28))	8,194.55	-

H Jai Research Foundation

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Balance as on the Balance Sheet date		
Current assets	4.56	4.56

I Advanta Comercio De Sementas Ltda

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Commission	-	1.27
Balance as on the Balance Sheet date		
Current assets	1.47	1.45

J Advanta Holdings B.V.

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Interest income	1,315.66	2,487.83
Loan repaid	16,522.51	2,136.74
Advance paid	-	36.11
Balance as on the Balance Sheet date		
Loan	20,674.85	37,379.54
Interest receivable	83.04	2,897.39

K PT Advanta Seeds Indonesia

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Reimbursement of expenses received-Others (refer note 35)	2.07	26.32
Sale of goods	-	902.96
Balance as on the Balance Sheet date		
Current assets	-	66.16

L Swal Corporation Limited

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Interest expenses	132.84	557.19
Repurchase of non convertible debentures	5,200.00	-
Balance as on the Balance Sheet date		
Interest payable	-	141.12
Redeemable non convertible debentures outstanding	-	5,200.00

M Key managerial personnel

Particulars	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Remuneration*	109.03	209.60

*Includes ₹ Nil (Previous year ₹33.58 lacs) towards leave encashment.

35. The Company has entered into an agreement with its group company and subsidiaries for cost sharing of research and development and other expenses. Pursuant to that, the Company has recovered ₹2,641.85 lacs (Previous year: ₹2,725.42 lacs) and the same has been adjusted against the respective expenses as under:

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Salaries, wages and bonus	1,247.68	1,108.07
Contribution to provident and other funds	67.94	75.09
Gratuity expenses	17.83	17.54
Staff welfare expenses	59.05	108.74
Total -A	1,392.50	1,309.44
Power and fuel	39.14	37.66
Repairs and maintenance	21.33	21.45
Rent	122.01	118.90
Rates and taxes	19.64	15.94
Insurance	0.00	0.71
Travelling and conveyance	312.80	465.24
Communication costs	44.05	45.36
Printing and stationery	9.36	11.61
Production and farm expenses	199.18	229.40
Legal and consultancy charges	72.42	79.66
Others	409.42	390.05
Total -B	1,249.35	1,415.98
Total -(A+B)	2,641.85	2,725.42

36. Details of employee benefits**(i) Defined benefit plan-gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

Statement of Profit and Loss

	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Net employee benefit expenses (recognized in employee benefit expenses)		
Current service cost	14.93	18.78
Interest cost on benefit obligation	12.53	10.20
Expected return on plan assets	(0.73)	(1.44)
Net actuarial loss recognized during the year	13.94	6.15
Net benefit expense	40.67	33.69
Actual return on plan assets	0.42	1.65

Balance sheet

	As at December 31, 2014	As at December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Present value of defined benefit obligation	141.03	135.47
Fair value of plan assets	(5.32)	(8.42)
Plan liability	135.71	127.05

Changes in the present value of the defined benefit obligation

	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Opening defined benefit obligation	135.47	123.66
Current service cost	14.93	18.78
Interest cost	12.53	10.20
Benefits paid	(35.53)	(23.53)
Actuarial loss on obligation	13.63	6.36
Closing defined benefit obligation	141.03	135.47

Changes in the fair value of plan assets

	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Opening fair value of plan assets	8.42	16.80
Expected return	0.73	1.44
Contributions made by employer during the year	32.01	13.50
Benefits paid	(35.53)	(23.53)
Actuarial (loss)/gain	(0.31)	0.21
Closing fair value of plan assets	5.32	8.42
Expected contribution to defined benefit plan in the next year	49.88	51.84

The major categories of plan assets as a percentage of fair value of total plan assets are as follows

	December 31, 2014	December 31, 2013
Insurer Managed Funds (LIC)	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in the expected rate of return on assets due to the improved stock market scenario.

The principal actuarial assumptions at the Balance Sheet date

	As at December 31, 2014	As at December 31, 2013
Discount rate	8.05%	9.25%
Expected rate of return on plan assets	8.05%	8.70%
Expected rate of salary increase	6.00%	6.00%
Employee turnover	2.00%	2.00%
Mortality table	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate

Amounts for the current and previous four periods are as follows

	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010
	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
Defined benefit obligation	141.03	135.47	123.66	128.18	123.00
Plan assets	(5.32)	(8.42)	(16.80)	(3.49)	(4.13)
Surplus/(deficit)	135.71	127.05	106.86	124.69	118.87
Experience adjustment on Plan liability (gains)/losses	1.32	10.53	(0.00)	(12.53)	4.21
Plan assets gains/(losses)	(0.31)	(0.21)	0.30	0.33	(0.12)

Note:

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(ii) Defined contribution plan

Contribution to provident fund and superannuation fund amounting to ₹32.44 lacs (Previous year: ₹41.32 lacs) has been recognised as an expense and included in note 24 under 'Contribution to provident and other funds' in the Statement of Profit and Loss.

37. Operating leases

Company as lessee (Lease payments)

Office premises and motor vehicles are taken on operating lease. The lease term is in the range of three years to ten years and thereafter renewable. The lease is cancellable at any time and there is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases. Lease rental expense for the year for the agreements entered into is ₹364.32 lacs including land lease charges of ₹238.96 lacs. (Previous year: ₹298.95 lacs including land lease charges of ₹242.51 lacs).

Company as lessor (Lease receipts)

The Company entered into an agreement for lease of certain assets and ₹150.00 lacs (Previous year: ₹150.00 lacs) have been recognised as rental income in the Statement of Profit and Loss. The lease is cancellable at any time.

38. Earnings per share

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Basic earnings per share		
Net profit attributable to equity shareholders	(517.27)	464.79
Weighted average number of equity shares outstanding	84,356,750	84,329,527
Basic earnings per share (₹)	(0.61)	0.55
Nominal value of equity shares (₹)	2.00	2.00
Diluted earnings per share		
Net profit for computation of dilutive earnings per share	(517.27)	464.79
Weighted average number of equity shares outstanding	84,356,750	84,329,527
Dilutive impact of employee stock options	703,268	288,289
Weighted average number of equity shares for computing diluted earnings per share	85,060,018	84,617,816
Diluted earnings per share (₹)	(0.61)	0.55
Nominal value of equity shares (₹)	2.00	2.00

The conversion of foreign currency floating rate guaranteed convertible bonds into equity shares, if made, would have the effect of increasing the profit per share and would therefore be anti-dilutive and hence, are ignored for the purpose of computing diluted earnings per share.

39. Research and development expenses

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
a) Revenue		
Gross expenditure	2,117.88	1,763.27
Less: Recharged (refer note 34)	857.53	1,049.03
Net expenses	1,260.35	714.24
b) Capital	125.20	130.96

40. Particulars of unhedged foreign currency exposure as at the Balance Sheet date

Particulars	Foreign currency	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
		(Foreign currency in lacs)	(Foreign currency in lacs)	(₹ in lacs)	(₹ in lacs)
Loans and advances to subsidiary	USD	327.99	406.99	20,674.85	25,158.09
Foreign currency floating rate guaranteed convertible bonds	USD	500.00	500.00	31,517.50	30,907.50
Interest payable	USD	4.30	4.32	270.98	266.77
Trade payables	EURO	0.27	0.56	20.65	47.67
	USD	11.03	3.60	695.52	222.53
	AUD	0.39	2.39	20.17	131.67
Advance from subsidiaries/group companies	USD	6.69	16.52	421.70	1,021.22
	Thai Baths	3.00	3.00	5.75	5.66
Advance from customers	USD	0.55	0.22	34.93	13.37
Exports trade receivables	USD	8.32	2.72	524.54	168.14
	EURO	-	6.39	-	543.93
Interest receivable	USD	1.32	21.82	83.04	1,348.55
	EURO	-	18.55	-	1,579.02
Loans and advances	USD	0.78	-	48.94	-
Other receivables	USD	15.48	11.09	975.75	685.53
	EURO	14.33	1.91	1,098.16	162.94
	AUD	1.59	-	82.00	-
Short term borrowings	USD	4.34	1.56	273.68	96.56

41. Particulars of derivatives contracts entered into for hedging purpose outstanding as at balance sheet date

Particulars	Currency	As at December 31, 2014	As at December 31, 2013
		(in lacs)	(in lacs)
Currency and interest rate swap	Euro	-	143.58

Purpose: Hedge of foreign currency advance given to subsidiary (in EURO) and hedge against exposure to variable interest outflow on loans. As per the full currency swap arrangement, the Company converts underlying INR liability to EURO liability to provide a natural hedge against the EURO loan given. As per the arrangement, the Company will receive 6.51% p.a on INR notional liability (₹10,000 lacs) for the period and pay Nil on EURO Notional. The Company has not renewed the contract in the current year.

42. Disclosure in respect of Loans and Advances in the nature of loans pursuant to clause 32 of the Listing Agreement

Description of assets	December 31, 2014		December 31, 2013	
	Outstanding balance	Maximum balance during the year	Outstanding balance	Maximum balance during the year
	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
Loans to subsidiaries				
Advanta Holdings B V	20,674.85	37,379.54	37,379.54	39,232.30

43. In accordance with the Accounting Standard 26 issued by ICAI, the following information relates to intangible assets

Description of assets	December 31, 2014		December 31, 2013	
	Carrying amount of assets	Remaining amortisation years	Carrying amount of assets	Remaining amortisation years
	(₹ in lacs)		(₹ in lacs)	
Technical Know-how	72.50	1 years	130.50	2 years
Germ Plasm	233.25	3 years	314.80	4 years
Germ Plasm	44.68	8.5years	49.99	9.5years
Software	46.50	3 years	60.11	4 years
Trade Marks / Brands	1,456.06	3 years	2,086.53	4 years

44. Value of imports on C.I.F. basis

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Capital expenditure	67.02	9.84
Purchase of seeds	1,638.39	1,640.76

45. Expenditure in foreign currency (on accrual basis)

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Travelling and conveyance	88.29	72.00
Legal and consultancy charges	115.67	62.58
Interest expenses	1,333.47	1,350.47
Reimbursement of expenses	2.70	8.42
Others expenses	158.43	56.70

46. Earnings in foreign currency (on accrual basis)

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Value of exports of goods on F.O.B. value	4,290.79	5,796.66
Interest income	1,315.66	2,487.83
Reimbursement of expenses	1,988.25	1,847.56
Commission income	270.35	163.26
Others	98.05	22.58

47. Imported and indigenous raw materials and packing material

Particulars	% of total consumption	Value (₹ in lacs)	% of total consumption	Value (₹ in lacs)
	For the year ended December 31, 2014		For the year ended December 31, 2013	
Raw materials				
Imported	-	-	-	-
Indigenous	100.00	1,657.24	100.00	751.08
	100.00	1,657.24	100.00	751.08
Packing material				
Imported	-	-	-	-
Indigenous	100.00	47.38	100.00	88.23
	100.00	47.38	100.00	88.23

48. The remuneration paid to Mr. Venkatram Vasantavada, Whole-Time Director is in excess of the limits specified under Part II of Schedule V to the Companies Act, 2013. Subsequent to the balance sheet date, the Company has made an application to the Central Government for seeking its approval for payment of remuneration upto ₹250 lacs p.a for a period of 3 years commencing from November 1, 2014. The remuneration paid to Mr. Venkatram for the period November 1, 2014 to December 31, 2014 is subject to the approval of Central Government.

49. Previous year figures have been regrouped/reclassified, where necessary, to conform to the current year's classification.

As per our report of even date.

For S.R.BATLIBOI & ASSOCIATES LLP
Firm Registration Number : 101049W
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Mumbai
Date: February 02, 2015

For and on behalf of the Board of Directors of
Advanta Limited

Jaidev R. Shroff
Chairman

Sharat Chandra B
Chief Financial Officer

Place: Mumbai
Date: February 02, 2015

Venkatram Vasantavada
Whole-Time Director

Pushpalatha K
Company Secretary

Statement Pursuant to Section 212 of the Companies Act, 1956, related to Subsidiary Companies for Financial Year ended 31st December, 2014

Sl No	Name of the subsidiary Company	Financial Year	Shareholding		The net aggregate of Profit / (Loss) of the subsidiary for the above financial year so far as they concern the members of the Company and is not dealt within the accounts of the Company	Change in the Holding Companies Interest in the subsidiaries between the end of the financial year of the subsidiary and the end of the holding companies financial year	Material changes which have occurred between the end of the aforesaid financial year of the subsidiaries and the end of the holding companies financial year in respect
			Number of Shares (Equity)	%			
1	Advanta Holdings BV	31-12-2014	3,053	100	(300.87)	(1,682.99)	As the financial year of both holding and subsidiary companies coincides, there are no particulars to furnish
2	Advanta Netherlands Holdings BV	31-12-2014	180	100	(501.62)	(19,915.00)	do do
3	Advanta Semillas S A I C	31-12-2014	139,098,815	100	(2,965.90)	(1,989.09)	do do
4	Longreach Plant Breeders Management P Ltd	31-12-2014	88,223	70	862.46	(84.99)	do do
5	Advanta Seeds Pty Ltd	31-12-2014	5,000,000	100	2,264.80	296.31	do do
6	Pacific Seeds Holdings (Thai) Ltd	31-12-2014	1,000	100	(62.69)	5,072.74	do do
7	Pacific Seeds (Thai) Ltd	31-12-2014	600,000	100	2,744.49	4,612.29	do do
8	Advanta Seed International	31-12-2014	2	100	8,025.44	2,329.16	do do
9	Advanta US Inc	31-12-2014	1,000	100	478.77	2,462.28	do do
10	PT Advanta Seeds Indonesia	31-12-2014	100,000	100	(563.96)	(330.80)	do do
11	Advanta Comercio De Sementes Ltda	31-12-2014	480,443	100	(1,575.33)	(2,086.94)	do do
12	Advanta BVI Ltd	31-12-2014	50,000	100	-	-	do do
13	Advanta Seeds JLT	31-12-2014	300	100	493.65	-	do do

Abridged Financial Information of subsidiaries as at 31.12.2014

Sl. No	Subsidiary	Location / Country	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities (Net of Reserves and Capital)	Investment (Except in case of Investment in Subsidiaries)	Turnover	Profit / Loss Before Taxation	Provision for Taxation Exp / (Inc)	Profit / Loss After Taxation	Proposed Dividend
1	Advanta Holdings BV	Netherlands	Euro	24,729.26	30,161.02	133,791.37	78,901.08	-	2,514.01	(429.14)	(128.27)	(300.87)	-
2	Advanta Netherlands Holdings BV	Netherlands	Euro	13.79	33,918.74	41,905.47	7,972.93	-	2,561.99	(658.02)	(156.41)	(501.62)	-
3	Advanta US Inc	USA	US \$	2,521.40	5,543.00	44,243.19	36,178.79	-	26,926.58	656.12	177.35	478.77	-
4	Pacific Seeds Holdings (Thai) Ltd	Thailand	THB	1.92	3,206.68	13,982.80	10,774.21	-	-	(129.50)	(66.80)	(62.69)	-
5	Pacific Seeds Thai Ltd	Thailand	THB	1,150.27	13,699.42	23,094.10	8,244.40	-	25,406.32	3,404.56	660.07	2,744.49	-
6	Advanta Seed International	Mauritius	US \$	0.00	28,507.36	62,674.57	34,167.21	-	29,724.73	8,274.00	248.56	8,025.44	-
7	Advanta Semillas S A I C	Argentina	US \$	18,874.53	(10,918.82)	28,467.61	20,511.90	-	27,232.92	(4,188.47)	(1,222.57)	(2,965.90)	-
8	Longreach Plant Breeders Management Pty Ltd	Australia	AU \$	3,655.27	(4,745.23)	9,038.08	10,128.04	-	155.80	828.70	(33.77)	862.46	-
9	Advanta Seeds Pty Ltd	Australia	AU \$	2,586.01	17,185.79	43,680.11	23,908.31	-	34,668.81	2,941.95	677.15	2,264.80	-
10	PT Advanta Seeds Indonesia	Indonesia	IDR	55.60	(1,186.92)	3,567.51	4,698.82	-	2,681.11	(751.95)	(187.99)	(563.96)	-
11	Advanta Comercio De Sementes Ltda	Brazil	BRL	113.96	(5,067.70)	8,296.81	13,250.55	-	5,021.97	(2,386.87)	(811.54)	(1,575.33)	-
12	Advanta BVI Ltd	British Virgin Islands	US \$	31.52	-	32.92	1.41	-	-	-	-	-	-
13	Advanta Seeds JLT	UAE	AED	51.48	508.83	4,148.33	3,588.02	-	-	493.65	-	493.65	-

Note: Exchange Rates considered for above calculation

Particulars	Euro	US \$	THB	AU \$	IDR	BRL	AED
Closing Rate (For Balance Sheet Items)	76.63	63.04	1.92	51.72	0.01	23.72	1.16
Average Rate (For Profit and Loss Items)	81.00	61.15	1.88	54.85	0.01	25.98	16.65

Consolidated Financial Statements

Independent Auditor's Report

To
The Members of Advanta Limited
(Formerly Advanta India Limited)

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Advanta Limited ('the Company') and its subsidiaries (together referred to as 'the Advanta Group') which comprise the consolidated balance sheet as at December 31, 2014, and the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control

relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of qualified opinion

As indicated in note no. 33 to the consolidated financial statements, the Advanta Group had, recognized deferred tax assets aggregating ₹7,245.50 lacs on the unused tax losses and other assets in the consolidated financial statements for the year ended December 31, 2013. During the year ended December 31, 2014, the Advanta Group has further recognized deferred tax assets of ₹2,149.00 lacs (including ₹277.40 lacs recognised in the foreign currency translation reserve). In our opinion, there is no virtual certainty as required by Accounting Standard (AS) 22, 'Accounting for Taxes on Income' read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs, to indicate that it is probable that the said companies will have sufficient taxable profit against which such deferred tax assets can be utilized. Accordingly, the consolidated profit after tax for the year ended December 31, 2014 is higher by ₹1,871.60 lacs (Previous year: higher by ₹1,915.65 lacs) and deferred tax assets and reserves and surplus as at December 31, 2014 are higher by ₹9,394.50 lacs (Previous year: higher by ₹7,245.50 lacs). Our audit report on the consolidated financial statements for the year ended December 31, 2013 was also modified in respect of the above matter.

As indicated in note no. 33(g) to the consolidated financial statements, a subsidiary company, Advanta Semillas SAIC had recognized MAT credit entitlement amounting to ₹592.89 lacs in the consolidated financial statements for the year ended December 31, 2013. During the year ended December 31, 2014, the subsidiary has further recognized MAT credit entitlement amounting to ₹155.35 lacs in the consolidated statement of profit and loss. In our opinion, there is no convincing evidence as required by guidance note on "Accounting for

credit available in respect of Minimum alternate Tax under the Income-tax Act, 1961" issued by "The Institute of Chartered Accountants of India" to indicate that it is probable that the said subsidiary will have normal income tax liability within the specified period against which such MAT Credit entitlement can be utilized. Accordingly, the consolidated profit after tax for the year ended December 31, 2014 is higher by ₹155.35 lacs (Previous year: ₹85.73 lacs) and loans and advances and reserves and surplus as at December 31, 2014 are higher by ₹748.24 lacs (Previous year: ₹592.89 lacs). Our audit report on the consolidated financial statements for the year ended December 31, 2013 was also modified in respect of the above matter.

Qualified Opinion

Based on our audit and on consideration of reports of the other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, *except for the effects of matters described in the basis for qualified opinion paragraph*, we are of the opinion that the attached consolidated financial statements, give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated balance sheet, of the state of affairs of the Advanta Group as at December 31, 2014;
- (b) in the case of the consolidated statement of profit and loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note no. 47(a) to the consolidated financial statements. As at December 31, 2014, accumulated losses of Longreach Plant Breeders Management Pty Ltd, a subsidiary company, aggregating to ₹4,745.23 lacs (Previous year: ₹5,921.31 lacs), has exceeded its net worth. The auditor of the subsidiary company has drawn attention in their audit report to the going concern assumption, i.e. the financial statements having been prepared on going concern basis on the basis of representations of financial and operational support from its principal shareholder, a subsidiary of the Company and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts. Our opinion is not qualified in respect of this matter.

We draw attention to note no. 47(b) to the consolidated financial statements. As at December 31, 2014, accumulated

losses of PT Advanta Seeds Indonesia, a subsidiary company, aggregating to ₹1,186.92 lacs (Previous year: ₹613.00 lacs), has exceeded its net worth. The auditor of the subsidiary company has drawn attention in their audit report to the going concern assumption, i.e. the financial statements having been prepared on going concern basis on the basis of representations of financial and operational support from the Company and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts. Our opinion is not qualified in respect of this matter.

We draw attention to note no. 47(c) to the consolidated financial statements. As at December 31, 2014, accumulated losses of Advanta Comercio De Sementes Ltda, a subsidiary company, aggregating to ₹5,067.70 lacs (Previous year: ₹3,268.40 lacs), has exceeded its net worth. The auditor of the subsidiary company has drawn attention in their audit report to the going concern assumption, i.e. the financial statements having been prepared on going concern basis on the basis of representations of financial and operational support from its principal shareholder, a subsidiary of the Company and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts. Our opinion is not qualified in respect of this matter.

Other Matter

We did not audit total assets of ₹165,483.73 lacs as at December 31, 2014, total revenues of ₹144,726.80 lacs and net cash outflows amounting to ₹6,103.15 lacs for the year then ended, included in the accompanying consolidated financial statements in respect of certain subsidiaries, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

For S.R.BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration Number: 101049W
Chartered Accountants

per Shankar Srinivasan

Partner
Membership No.: 213271

Place: Mumbai
Date: February 02, 2015

Consolidated Balance Sheet as at December 31, 2014

	Notes	As at December 31, 2014 ₹ Lacs	As at December 31, 2013 ₹ Lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,687.42	1,686.85
Reserves and surplus	4	73,146.70	60,464.62
		74,834.12	62,151.47
Non-current liabilities			
Long-term borrowings	5	46,382.96	46,217.79
Deferred tax liabilities (net)	6	755.58	481.80
Other long-term liabilities	7	51.27	64.65
Long-term provisions	8	1,632.61	1,359.42
		48,822.42	48,123.66
Current liabilities			
Short-term borrowings	9	47,330.63	37,653.98
Trade payables	10	30,818.17	40,516.11
Other current liabilities	10	10,826.30	14,532.35
Short term provisions	8	2,937.24	3,506.71
		91,912.34	96,209.15
Total		215,568.88	206,484.28
Assets			
Non-current assets			
Fixed assets			
Tangible assets	11	13,532.70	13,495.90
Intangible assets	12	57,067.52	60,121.98
Capital work-in-progress		1,553.20	649.11
Intangible assets under development (Refer note no. 35a)		2,075.28	2,026.44
Non - current investments	13	0.53	0.53
Deferred tax assets (net)	14	10,728.84	7,737.54
Long-term loans and advances	15	3,524.65	4,314.00
Other non-current assets	16	161.57	782.14
		88,644.29	89,127.64
Current Assets			
Inventories	17	51,042.02	49,238.39
Trade receivables	18	58,714.30	40,983.93
Cash and bank balances	19	10,732.02	17,572.97
Short term loans and advances	15	5,246.76	5,327.87
Other current assets	16	1,189.49	4,233.48
		126,924.59	117,356.64
Total		215,568.88	206,484.28
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date

For S.R.BATLIBOI & ASSOCIATES LLP
Firm Registration Number : 101049W
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Mumbai
Date: February 02, 2015

For and on behalf of the Board of Directors of
Advanta Limited

Jaidev R. Shroff
Chairman

Claudio Torres
Group CEO

Sharat Chandra B
Chief Financial Officer

Place: Mumbai
Date: February 02, 2015

Venkatram Vasantavada
Whole-Time Director

Manoj Gupta
Group CFO

Pushpalatha K
Company Secretary

Consolidated statement of profit and loss for the year ended December 31, 2014

	Notes	For the year ended December 31, 2014	For the year ended December 31, 2013
		₹ Lacs	₹ Lacs
Income			
Revenue from operations	20	151,255.33	125,507.83
Other income	21	649.87	748.41
Total (i)		151,905.20	126,256.24
Expenses			
Cost of raw material consumed	22	62,165.37	51,496.79
Increase in inventories	23	(6,135.99)	(9,492.40)
Employee benefit expenses	24	20,874.53	16,869.18
Other expenses	25	49,980.45	47,935.97
Total (ii)		126,884.36	106,809.54
Profit before exceptional item, interest, tax, depreciation and amortisation (i)-(ii)		25,020.84	19,446.70
Depreciation and amortisation expense	26	3,948.71	3,679.75
Finance costs	27	11,982.46	9,298.46
Profit before exceptional item and tax		9,089.67	6,468.49
Exceptional items	44	888.22	1,668.96
Profit before tax		8,201.45	4,799.53
Tax expenses			
- Current tax		3,030.59	2,611.05
- MAT credit entitlement		(287.25)	-
- Deferred tax income		(3,095.85)	(2,004.67)
- Taxes for earlier years		200.08	(255.56)
Total tax expense/(credit)		(152.43)	350.82
Net profit		8,353.88	4,448.71
Earnings per share			
Basic (₹)			
After exceptional items	34	9.90	5.28
Before exceptional items		10.96	7.25
Diluted (₹)			
After exceptional items		8.25	5.26
Before exceptional items		8.96	7.23
Nominal value of equity shares (in ₹)		2.00	2.00
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date

For S.R.BATLIBOI & ASSOCIATES LLP
Firm Registration Number : 101049W
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

For and on behalf of the Board of Directors of
Advanta Limited

Jaidev R. Shroff
Chairman

Venkatram Vasantavada
Whole-Time Director

Claudio Torres
Group CEO

Manoj Gupta
Group CFO

Sharat Chandra B
Chief Financial Officer

Pushpalatha K
Company Secretary

Place: Mumbai
Date: February 02, 2015

Place: Mumbai
Date: February 02, 2015

Consolidated cash flow statement for the year ended December 31, 2014

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Cash flow from operating activities		
Profit before exceptional item and taxation	9,086.66	6,468.49
Non-cash adjustment to reconcile profit before tax to net cash flows		
Exceptional items	(888.22)	(1,668.96)
Depreciation and amortisation expense	3,948.71	3,679.75
Provision for bad and doubtful advances	347.18	176.29
Share issue expenses written off	-	84.41
Interest expenses	7,872.16	6,592.17
Unrealised exchange loss/(gain), net	1,231.30	1,246.32
Bad debts written off (net)	53.56	427.68
Advances written off	6.64	37.04
Asset written off	-	0.54
Inventories written off	1,193.03	1,600.37
Provision for litigation	22.59	39.24
Provision for stock damages	2,057.91	1,710.80
Interest income	(498.40)	(260.71)
Employee stock option compensation	7.13	7.13
Gain on buyback of debentures	-	(0.84)
Loss/(profit) on sale of fixed assets, net	48.07	1.41
Provisions written back	(19.22)	(284.65)
Operating profit before working capital changes	24,469.10	19,856.48
Movement in working capital:		
Increase in inventories	(5,054.57)	(22,863.09)
Increase in trade receivable	(17,805.02)	(17,517.54)
Decrease/(increase) in other current assets	2,994.13	(2,135.44)
Decrease in loans and advances	176.26	2,755.39
(Decrease)/increase in trade payables and other current liabilities	(12,721.65)	12,314.54
Increase in provisions	345.14	1,600.47
Cash used in operations	(7,596.61)	(5,989.19)
Direct taxes paid (net of refunds)	(3,334.58)	(2,648.54)
Net cash used in operating activities (A)	(10,931.19)	(8,637.73)
Cash flow from investing activities		
Purchase of fixed assets including capital work in progress and capital advances	(1,926.99)	(7,069.77)
Proceeds from sale of fixed assets	19.03	11.96
Investments/redemption in bank deposits (having original maturity of more than three months)	(62.80)	(566.99)
Interest received	761.22	391.36
Net cash flow used in investing activities (B)	(1,209.54)	(7,233.44)

	For the year ended December 31, 2014		For the year ended December 31, 2013	
	₹ Lacs		₹ Lacs	
Cash flow from financing activities				
Proceeds from long-term borrowings		13,688.41		-
Repayment of long-term borrowings		-		(1,741.64)
Proceeds from short-term borrowings		15,605.79		24,664.14
Repayment of short term borrowings		(6,500.00)		-
Proceeds from issue of equity share capital		19.40		15.19
Proceeds from re-issue of bonds and debentures		-		1,300.00
Repayment on buy back of bonds and debentures		(14,700.00)		(1,499.16)
Proceeds from government grants		-		81.57
Utilisation of government grants		(13.38)		(22.20)
Interest paid		(8,330.03)		(6,116.81)
Net cash from financing activities	(C)	(229.81)		16,681.09
Exchange difference on FCTR	(D)	4,901.05		1,362.29
Net (decrease)/increase in cash and cash equivalents	(A+B+C+D)	(7,469.49)		2,172.21
Cash and cash equivalents at the beginning of the year		16,604.92		14,432.71
Cash and cash equivalents at the end of the year		9,135.43		16,604.92
Components of cash and cash equivalents				
Cash on hand		4.48		4.80
Balances with scheduled banks				
on current accounts		8,291.12		15,478.40
on deposit accounts		839.72		1,121.61
Unpaid dividend accounts (refer note a below)		0.11		0.11
Total cash and cash equivalents (refer note 19)		9,135.43		16,604.92
Summary of significant accounting policies	2.1			

As per our report of even date.

a. These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

For S.R.BATLIBOI & ASSOCIATES LLP
Firm Registration Number : 101049W
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

For and on behalf of the Board of Directors of
Advanta Limited

Jaidev R. Shroff
Chairman

Venkatram Vasantavada
Whole-Time Director

Claudio Torres
Group CEO

Manoj Gupta
Group CFO

Sharat Chandra B
Chief Financial Officer

Pushpalatha K
Company Secretary

Place: Mumbai
Date: February 02, 2015

Place: Mumbai
Date: February 02, 2015

Notes to consolidated financial statements for the year ended December 31, 2014

1. Corporate information

Advanta Limited (Formerly Advanta India Limited) ('the Company' or 'the holding company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange. Advanta Limited and some of its subsidiaries are principally engaged in research, development, production, distribution and marketing of hybrid agricultural field crop seeds and plant seeds for agricultural use. Certain other subsidiaries are predominantly holding companies with investments in the companies engaged in development of hybrid

seeds. Advanta Limited and its subsidiaries are hereinafter collectively referred to as 'the Group'.

2 Principles of consolidation

- a) The consolidated financial statements include financial statements of Advanta Limited and its subsidiaries. Subsidiaries are consolidated from the date on which effective control is transferred to the Group to the date such control exists.
- b) The list of subsidiary companies considered for consolidation together with the proportion of shareholding held by the group is as follows:

Sl. No	Name of the Company	Relationship	Country of incorporation	% of holding directly or through subsidiaries	
				2014	2013
1	Advanta Holdings B.V.	Subsidiary	Netherlands	100%	100%
2	Advanta Netherlands Holding B.V.	Subsidiary	Netherlands	100%	100%
3	Pacific Seeds (Thai) Limited	Subsidiary	Thailand	100%	100%
4	Pacific Seeds Holdings (Thailand) Limited	Subsidiary	Thailand	100%	100%
5	Advanta Seeds Pty Ltd (Formerly, Pacific Seeds Pty Ltd)	Subsidiary	Australia	100%	100%
6	Advanta Semillas SAIC	Subsidiary	Argentina	100%	100%
7	Advanta Seed International	Subsidiary	Mauritius	100%	100%
8	Longreach Plant Breeders Management Pty Ltd	Subsidiary	Australia	70%	70%
9	Advanta US Inc	Subsidiary	USA	100%	100%
10	PT Advanta Seeds Indonesia	Subsidiary	Indonesia	100%	100%
11	Advanta Comercio De Sementes Ltda	Subsidiary	Brazil	100%	100%
12	Advanta Seeds JLT	Subsidiary	United Arab Emirates	100%	-
13	Advanta (B.V.I) Ltd	Subsidiary	British Virgin Islands	100%	100%

Notes:

- i) The ownership interest as given above has been calculated based on the effective interest of Advanta Limited in various subsidiaries, including the investments made by its subsidiaries.
- ii) Pacific Seeds (Thai) Limited is a wholly owned subsidiary of Pacific Seeds Holdings (Thailand) Limited as at December 31, 2014.
- iii) Pacific Seeds Holdings (Thailand) Limited is a wholly owned subsidiary of Advanta Netherlands Holdings B.V. as at December 31, 2014.
- iv) 70% holding of Longreach Plant Breeders Management Pty Ltd is held by Advanta Seeds Pty Ltd as at December 31, 2014.
- v) Advanta Semillas SAIC is 90% held by Advanta Holdings B.V. and 10% held by Advanta Netherlands Holdings B.V. as at December 31, 2014.
- vi) Advanta Comercio De Sementas Ltda. is 99.99% held by Advanta Holdings B.V. and 0.01% held by Advanta Netherlands Holdings B.V. as at December 31, 2014.

- vii) Advanta Netherlands Holdings B.V., Advanta US Inc., Advanta (B.V.I) Ltd and Advanta Seeds Pty Ltd are wholly owned subsidiaries of Advanta Holdings B.V. as at December 31, 2014.
- viii) Advanta Seeds JLT is a wholly owned subsidiary of Advanta Seed International as at December 31, 2014.
- ix) PT Advanta Seeds Indonesia is 99% held by Advanta Limited and 1% held by Advanta Seed International as at December 31, 2014.
- x) Advanta Holdings B.V. and Advanta Seed International are wholly owned subsidiaries of Advanta Limited as at December 31, 2014.

c) The consolidated financial statements have been prepared on the following basis:

The financial statements of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956, read with General circular 8/2014 dated 4 April 2014 issued by Ministry of Corporate Affairs. The financial statements have been prepared on an accrual basis and under the historical cost convention and except for derivative financial instruments which have been measured at fair value. The accounting policies are consistently applied and are consistent with those used in the previous year.

All the subsidiary companies are incorporated outside India. The activities of the subsidiaries are not an integral part of those of the holding company and hence, these have been considered to be non-integral foreign operations in terms of Accounting Standard 11 – 'The Effects of Changes in Foreign Exchange Rates'. Consequently, the assets and liabilities, both monetary and non-monetary, of such subsidiaries have been translated at the closing rates of exchange of the respective currencies as at December 31, 2014.

The consolidated financial of the Group have been prepared on a line by line basis by adding together the book value of subsidiary companies like items of assets, liabilities, income and expenses and all material inter-company balances and inter-company transactions and resulting unrealized profits or losses are eliminated on consolidation except where cost cannot be recovered.

The difference between the cost to the Group of investments in subsidiaries and the proportionate share in the equity of the subsidiary company as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Any gain/loss arising upon acquiring additional stake in subsidiary from parties outside the group is accounted for as goodwill/capital reserve.

Minorities' interest in net profits of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the consolidated balance sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity in the absence of the contractual obligation on the minorities, the same is accounted for by the Company.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements. Changes have been made in the accounting policies followed by each of the subsidiaries to the extent they were material and identifiable from their respective audited financial statements to make them uniform with the accounting policies followed by the holding company except where it has not been practicable to use uniform accounting policies in preparing the consolidated financial statements, the same has been disclosed in note 32 below.

The financial statements of the subsidiaries used for the purpose of consolidation are drawn upto the same reporting date as that of the holding company i.e. December 31, 2014.

2.1 Summary of significant accounting policies

The significant accounting policies followed by the Group in the consolidated financial statements are stated hereunder. In case a uniform accounting policy is not followed by any subsidiary company in the group, the same, as disclosed in the audited financial statements of the said subsidiary company, has been reproduced, if material.

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make

judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and impairment losses if any. The cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(c) Depreciation on tangible fixed assets

Holding company

Depreciation on building and plant and machinery is provided for in the accounts on straight line method in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956 which coincides with the useful life of the assets estimated by the Management.

Depreciation on other assets is provided using the Straight Line Method as per the useful life of the assets estimated by the management, or at the rates prescribed under Schedule XIV of the Companies Act, 1956 whichever is higher.

Name of the block	Rate (SLM)	Rate as per Schedule VI (SLM)
Furniture and fixtures	10%	6.33%
Computer and computer equipments*	20%	16.21%
Motor vehicles	20%	9.50%
Office equipments*	10%	4.75%

Individual fixed assets costing less than ₹5,000 are fully depreciated in the year of purchase.

Leasehold improvements are depreciated over the period of lease which is generally ten years.

*Included in Plant and equipment

Foreign subsidiaries

In case of subsidiaries, depreciation is provided on the straight line method as per the useful lives of the assets as determined by the management. These rates are given below:

Name of the block	Estimated useful life in years
Buildings	5 to 50 years
Plant and machinery	3 to 14 years
Office equipments*	3 to 5 years
Furniture and fixtures	3 to 10 years
Motor vehicles	5 to 7 years
Computer and computer equipments*	2 to 5 years

*Included in Plant and equipment

(d) Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating

unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(e) Intangible assets

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably. Intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Goodwill arising on consolidation of acquired subsidiaries is carried at cost.

Costs relating to intangible assets, which are acquired, are capitalised and amortised on a straight-line basis over their useful lives.

Name of the block	Useful life
Technical knowhow	10 years
Technology license fees	5 to 10 years
Germ plasm	10 years
Software	10 years
Project Sunsat	10 years
NGSP Research	10 years
Trade marks/brands	10 years

Goodwill arising on acquisition of business and on consolidation are not amortised, but tested for impairment at the end of each balance sheet date and any impairment loss arises is recognized in the Statement of Profit and Loss.

(f) Research and development

Research expenditure is charged to revenue in the year in which it is incurred. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortised over the period of expected future benefit i.e. over the period of expected future sales from the related project.

(g) Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased

term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(h) Government grants

Grants from the government are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Government grants received in the nature of investment subsidy are treated as capital reserve.

(i) Investments

Investments which are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(j) Inventories

The method of valuation of various categories of inventories is as follows:

- i) Raw materials:** Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis. In case of Advanta Seeds Pty Ltd, cost is determined on a standard cost basis that approximates weighted average method and in case of Advanta US Inc, cost is determined on a standard cost basis that approximates first-in-first-out method. These standards are reviewed regularly and adjusted for significant variances.

ii) Stores and spares, consumables and packing material: Lower of cost and net realisable value. Cost is determined on a weighted average basis. In case of Advanta Seeds Pty Ltd, cost is determined on a standard cost basis that approximates weighted average method. These standards are reviewed regularly and adjusted for significant variances.

iii) Work-in-progress and finished goods: Lower of cost and net realizable value. Work in progress comprises of material cost and applicable overheads. In case of finished goods, the cost comprises of materials, direct labour and production overheads of the related crops. In case of finished goods, the cost is determined on a weighted average basis. In case of Advanta US Inc, cost is determined on a standard cost basis that approximates first-in-first-out method.

iv) Traded goods: Lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

- i)** Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods have passed to the buyer which generally coincides with dispatch of goods to the customer. The sales are net of sales return.
- ii)** Income from services are recognized as and when the services are rendered.
- iii)** Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "Other income" in the Statement of Profit and Loss.
- iv)** Dividend is recognized when the shareholders' right to receive payment is established by the balance sheet date.
- v)** Royalty is recognised on an accrual basis in accordance with the terms of the relevant agreement.
- vi)** Claims recoverable are accrued only to the extent admitted by the parties.

(l) Foreign exchange translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized as income or as expenses. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in foreign currency translation reserve. Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Exchange difference arising on financing activities are reflected under finance cost.

Translation of non-integral foreign operations

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing exchange rate, income and expense items are translated at average exchange rates. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the Statement of Profit and Loss.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

(m) Derivative instruments

Certain subsidiaries use derivative financial instruments such as forward exchange contracts to hedge their risks associated with foreign currency fluctuations. The premium or discount arising at the inception of forward exchange contracts is amortised as income or expense over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit/loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year. The derivative contracts not covered under AS-11 are marked to market on portfolio basis and net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

(n) Retirement and other employee benefits

i) Retirement benefit in the form of provident fund and superannuation are defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and superannuation fund. The Company recognizes contribution payable to the provident fund scheme and super annuation scheme as an expenditure, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

ii) The holding company has a defined benefit gratuity plan. The gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for

based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

iv) Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(o) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the income tax laws of respective countries. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax asset and deferred tax liabilities across various countries of operations are not set off against each other as the Company does not have legal right to do so.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year, in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the income tax laws of respective countries, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(p) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(r) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(s) Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(t) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

(u) Segment reporting

Identification of segments:

Segments are identified in line with AS 17 "Segment Reporting", taking into consideration the internal organization and management structure as well as the differential risk and returns of the segment.

Based on the group's business model, research, production and distribution of Hybrid seeds have been considered as the only reportable segment and hence no separate financial disclosure is provided in respect of its single business segment. The analysis of geographical segments is based on the location of the business operations.

Segment policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

(v) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3. Share capital

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Authorised shares		
303,100,000 equity shares of ₹2/- each (Previous year : 303,100,000 equity shares of ₹2/- each)	6,062.00	6,062.00
16,380,000 (Previous year : 16,380,000) preference shares of ₹10 /- each	1,638.00	1,638.00
Issued, subscribed and fully paid up shares		
84,371,095 equity shares of ₹2/- each fully paid-up (Previous year : 84,342,325 equity shares of ₹2/- each fully paid up)	1,687.42	1,686.85
Total issued, subscribed and fully paid up share capital	1,687.42	1,686.85

Pursuant to the resolution by the members in their annual general meeting held on June 5, 2013 existing equity share of the face value of ₹10/- each stands sub-divided into five equity shares of the face value of ₹2/- each.

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	As at December 31, 2014		As at December 31, 2013	
	No's in Lacs	₹ Lacs	No's in Lacs	₹ Lacs
At the beginning of the year	843.42	1,686.85	843.15	1,686.31
Add : Issued during the year-ESOP	0.28	0.57	0.27	0.54
Out standing at the end of the year	843.70	1,687.42	843.42	1,686.85

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having par value of ₹2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

	As at December 31, 2014	As at December 31, 2013
	No's in Lacs	No's in Lacs
Equity share of ₹2/- each issued during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee services.	1.88	1.70

(d) Details of shareholding more than 5% shares in the Company

Name of the shareholder	As at December 31, 2014		As at December 31, 2013	
	No's in Lacs	% holding	No's in Lacs	% holding
UPL Limited (Formerly United Phosphorus Limited)	427.24	50.64	420.00	49.80
Jaidev R Shroff	50.77	6.02	50.77	6.02
Vikram R Shroff	42.33	5.02	42.33	5.02

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 28.

For details of shares reserved for issue on conversion of FCCB, please refer note 5 regarding terms of conversion/redemption of FCCB.

4. Reserves and surplus

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Capital reserve	873.31	873.31
Capital redemption reserve	25.00	25.00
General reserve	1,852.14	1,852.14
Securities premium account		
Balance as per last financial statements	29,638.88	29,624.23
Add : Additions on ESOPs exercised	18.83	14.65
	29,657.71	29,638.88
Revaluation reserve	569.54	569.54
Debenture redemption reserve		
Balance as per last financial statements	2,177.62	1,712.83
Add: Transfer from surplus balance in the statement of profit and loss	-	464.79
	2,177.62	2,177.62
Employee stock options outstanding		
Balance as per last financial statements	13.07	5.94
Add: Gross compensation for options granted during the year	7.13	7.13
Less: Transfer to securities premium on exercise of stock options	(3.01)	-
	17.19	13.07
Foreign currency translation reserve		
Balance as per last financial statements	2,080.97	1,056.93
Add: Arisen during the year (net of deferred tax credit of ₹244.97 lacs (Previous year: ₹ Nil)	4,305.25	1,024.04
	6,386.22	2,080.97
Surplus in the statement of profit and loss		
Balance as per last financial statements	23,234.09	19,250.17
Add: Profit for the year	8,353.88	4,448.71
	31,587.97	23,698.88
Less: Appropriations		
Transfer to debenture redemption reserve	-	464.79
Total Appropriations	-	464.79
Net surplus in the statement of profit and loss	31,587.97	23,234.09
Total reserves and surplus	73,146.70	60,464.62

5. Long-term borrowings

	Non-current portion		Current maturities	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
(a) Bonds/debentures				
Unsecured redeemable non convertible debentures (refer note a below)	-	14,700.00	-	-
Foreign currency floating rate guaranteed convertible bonds (Unsecured) (FCCB's) (refer note b below)	31,517.50	30,907.50	-	-
(b) Term loans				
From banks (Unsecured) (Refer note c below)	14,735.21	505.57	2,160.26	2,752.79
(c) Other loans and advances				
Loan from Biotechnology Industry Research Assistance (BIRAC) (Secured) (refer note d below)	90.99	104.72	13.73	-
From others (Unsecured) (refer note e below)	39.26	-	12.04	-
	46,382.96	46,217.79	2,186.03	2,752.79
The above amount includes				
Secured borrowings	90.99	104.72	13.73	-
Unsecured borrowings	46,291.97	46,113.07	2,172.30	2,752.79
Amount disclosed under the head "other current liabilities" (refer note 10)	-	-	(2,186.03)	(2,752.79)
Net amount	46,382.96	46,217.79	-	-

Notes:

a) Unsecured redeemable non convertible debentures issued by the Company

- 1) ₹ Nil (Previous year: ₹14,700 lacs) non convertible debentures (NCDs) consisting of Nil (Previous year: 1,470) unsecured redeemable non convertible debentures of ₹10 lacs each redeemable at par at the end of five years from the date of allotment or at every interest payment date, which is on quarterly basis at the option of the Company.
- 2) NCD's carry a coupon rate of Indian Benchmark rate (INBMK) +2% with a minimum floor price of 10% per annum.
- 3) As per the Information Memorandum for Non-convertible Debentures issued by the Company, the Company is authorised to purchase its own NCDs from time to time from the open market in accordance with the applicable laws. Pursuant to the said Information Memorandum, the Company during the current year, has purchased 1,470 NCDs (Previous year: 150 NCDs) and reissued in the current year Nil (Previous year: 130 NCDs) and at the year end 1,620 NCDs (Previous year: 150 NCDs) are in the name of the Company. Outstanding NCDs referred in Note 5(a) above excludes the debentures held in the name of the Company as on December 31, 2014, in respect of which the Company shall have the right to re-issue the debentures as and when the Company may deem fit.

b) Foreign currency floating rate guaranteed convertible bonds issued by the Company are due in 2016.

250 Floating rate guaranteed convertible bonds of USD 200,000 each:

- 1) FCCB's are convertible by the bondholders into ordinary equity or Global Depository Shares (GDSs) at any time on and after July 15, 2011 up to the close of business on July 2, 2016. The FCCB's will be convertible at an initial conversion price of ₹56.57 per share of ₹2/- each and are listed on Singapore Stock Exchange.

- 2) FCCB's are redeemable, in whole but not in part, at the option of the Company on or at any time after July 9, 2014, subject to the fulfillment of certain terms and obtaining requisite approvals.
- 3) FCCB's are redeemable on maturity date of July 9, 2016 at par, if not redeemed or converted earlier.
- 4) FCCB's carry an interest rate of LIBOR+3.5%.

c) Unsecured term loans from banks

- 1) The Company has taken term loans of ₹ Nil (Previous year: ₹2,500 lacs) from bank which carried interest rate of 12.00% to 13.25% per annum and was repayable in 8 quarterly installments of ₹625 lacs starting from January 2013. The loan has been repaid during the current year.
- 2) Advanta Semillas SAIC, the subsidiary company, has taken term loans of ₹294.86 lacs (Previous year: ₹758.36 lacs) from bank, repayable in six equal half yearly installments, which carries interest rate of 24.30% per annum and is also secured by mortgages.
- 3) Advanta Seed International, the subsidiary company, has taken short term loan from bank amounting to ₹16,600.61 lacs (Previous year: ₹ Nil) which carries interest rate of 3 months USD LIBOR plus 3.3% and is secured by corporate guarantee provided by the Company and other subsidiaries. It is repayable in 9 unequal half yearly installments over a period of five years beginning from March 2015.

d) Loan from BIRAC

The Company has entered into an agreement with the BIRAC, Ministry of Science and Technology, Government of India ('DBT') for seeking assistance in the form of grant/loan under the DBT scheme, viz. Biotechnology Industry Partnership Program ('BIPP' scheme) in relation to project of "Multi stacking genes to develop engineered rice with enhanced drought and multiple disease and pest tolerance ("Rice Project")" and "RNAi and other cutting edge technological interventions to develop insect-pest, diseases and viruses tolerant tomato hybrids for Indian and International markets ("Tomato Project")" ("the projects"), in connection with the same the Company has received assistance in the form of loan at interest rate of 2%/3% for ₹104.72 lacs (Previous year: ₹104.72 lacs) and in the form of grant for ₹104.72 lacs (Previous year: ₹104.72 lacs). The unutilised grant of ₹51.27 lacs (Previous year: ₹64.65 lacs) is considered as "other long term liabilities".

Loan amounting to ₹72.17 lacs pertaining to rice project is repayable in 10 equal half yearly installments starting from August 2015 and loan amounting to ₹32.55 lacs pertaining to tomato project is repayable in 10 equal half yearly installments starting from April 2015.

The loan is secured by way of hypothecation of all equipment, apparatus, machineries, machinery spares and other accessories, goods and/or other movable property, and/or immovable property of the Company acquired for the project through contribution by the Company and/or by the DBT to a value equivalent to loan amount and interest thereon. In view of the transfer of BIPP scheme from DBT to BIRAC, the Company has executed the Agreements and will shortly execute the Deed of hypothecation in favour of BIRAC.

e) From others

Advanta Seeds Pty Limited (formerly known as Pacific Seeds Pty Limited), the subsidiary company, has taken an unsecured loan of ₹51.30 lacs (Previous year: ₹ Nil) which carries interest rate of 8.18% and is repayable over a period of 7 years.

6. Deferred tax liability (net)

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	1,806.59	2,494.35
Others	-	412.39
	1,806.59	2,906.74
Deferred tax assets		
On expenditure that is allowed on payment basis	435.22	818.33
On provision for doubtful debtors and advances	518.09	139.99
Carry forward losses (refer note 33)	-	629.80
Others	97.70	836.82
	1,051.01	2,424.94
	755.58	481.80

7. Other long-term liabilities

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Others		
Deferred government grant [refer note 5 (d)]	51.27	64.65
	51.27	64.65

8. Provisions

	Long term		Short term	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
Provisions for employee benefits				
Provision for leave benefits	382.21	233.80	1,427.07	1,408.89
Provision for gratuity (refer note 43)	1,250.40	1,125.62	137.11	51.84
	1,632.61	1,359.42	1,564.18	1,460.73
Other provisions				
Provision for litigations (refer note 38)	-	-	147.99	156.90
Provision for taxes (net of advance tax)	-	-	1,225.07	1,889.08
	1,632.61	1,359.42	2,937.24	3,506.71

9. Short-term borrowings

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
(a) On cash credit, short term and working capital demand loan from banks		
(i) Secured (refer note (a) below)	23,276.09	18,221.89
(ii) Unsecured (refer note (b) below)	13,577.72	13,765.71
(b) Loans from related parties (Unsecured) (refer note (c) below)	10,009.73	5,208.90
(c) Other loans (Unsecured)		
From others (refer note (d) below)	467.09	457.48
	47,330.63	37,653.98
The above amount includes:		
Secured borrowings	23,276.09	18,221.89
Unsecured borrowings	24,054.54	19,432.09
	47,330.63	37,653.98

Note:

(a) On cash credit and working capital demand loan from banks, Secured

- The Company has taken cash credit loans aggregating to ₹273.68 lacs (Previous year: ₹96.56 lacs) which carry interest rates ranging from 3% to 13.5% per annum. Cash credit are secured by pari passu first charge by way of hypothecation of entire stocks of raw materials, finished goods, work-in-process, consumable stores and spares and such other movable including book-debts, outstanding monies, receivables, both present and future.
- Advanta Seeds Pty Limited (formerly known as Pacific Seeds Pty Limited), the subsidiary company, has taken cash credit loan from bank amounting to ₹7,240.83 (Previous year: ₹8,264.35 lacs) which carries an average interest rate of 4.79% per annum. It is a facility loan by which the bank has security over the Company's debtors and approved inventory. The loans can be drawn for a period of 30 to 180 days.
- Pacific Seeds (Thai) Limited, the subsidiary company, has taken a short term loan of ₹1,911.37 lacs (Previous year: ₹3,588.68 lacs) which are secured by the mortgage of the subsidiary company's land with structures. The loan carries interest at minimum lending rate less 2% per annum and can be drawn for a maximum tenor of 180 days with restricted rollover.
- Advanta U.S. Inc ('Borrower'), the subsidiary company, has taken cash credit and short term loans aggregating to ₹13,267.20 lacs (Previous year: ₹5,460.90 lacs) which bears interest at 375 basis points over the one-month LIBOR rate and are secured by a first and prior security interest and lien in, on and to all of the following real and personal property, now existing or hereafter acquired, wherever located, and all products, issue, and proceeds thereof ("Collateral"):
 - Real Property:** All of the real property owned by Borrower consisting of a warehouse facility in Hereford, Texas, being approximately 13.394 acres and situated in Deaf Smith County, Texas, and all improvements and fixtures now or hereafter existing thereon, and all appurtenances thereto, together with all water rights, mineral rights, rents, and royalties on, in, under, or associated with said real property.
 - Personal Property:** All current assets of Borrower, whether tangible and intangible personal property now owned or hereafter acquired by Borrower, including without limitation:
 - all equipment, fixtures, trade fixtures, inventory, goods, livestock, feed, farm products, interests in returned and repossessed goods and farm products, crops, raw materials, machinery, furniture, packaging materials and supplies;

- (ii) all contracts, grower contracts, leases, licenses, permits, rents, royalties, accounts, chattel paper, checks and proceeds, commodity contracts, commodity accounts, commercial tort claims, deposit accounts, cash accounts, sweep account, hedging accounts, margin accounts, instruments, documents, investment property, security entitlements, investment and securities accounts, letter of credit rights, payment intangibles, general intangibles, books and records, computer software, source codes, intellectual property, patents, trademarks, copyrights, and service marks;
 - (iii) all insurance policies and Borrower's rights to receive proceeds of insurance policies;
 - (iv) all rights and entitlements, to the maximum extent allowed by law, under or pursuant to any governmental programs or contracts; and
 - (v) all intercompany notes of Borrower and each of the direct subsidiaries of Borrower existing on the date of closing the Credit Facility or thereafter created or acquired.
- c) Borrower Stock:** All of Borrower's shares of stock, as defined in 12 U.S.C. § 2162(d)(1) ("Borrower Stock"), of Capital Farm Credit, ACA.
- d) Proceeds:** All renewals, replacements, substitutions, additions, issue, proceeds, and products of the Collateral, and all interest, earnings, and dividends from the Collateral.
5. Advanta Semillas SAIC, the subsidiary company, has short term loans from banks aggregating to ₹583.01 lacs (Previous year: ₹811.40 lacs) from bank which carries interest rate 15.25% to 30.65% per annum and is also secured by mortgages.

(b) On cash credit and working capital demand loan from banks, Unsecured

1. The Company has taken working capital demand loans aggregating to ₹4,000 lacs (Previous year: ₹2,500 lacs) which carry an interest rate of 10.75% per annum.
2. Advanta Semillas SAIC, the subsidiary company, has taken cash credit loans and overdrafts aggregating to ₹9,526.42 lacs (Previous year: ₹10,712.54 lacs) from bank which carries interest rate 15.75% to 35% per annum and is also secured partly by stand by letter of credit, warrant of seeds and third parties cheques.
3. Advanta Comercio De Sementes Ltda, the subsidiary company, has taken working capital loan from bank amounting to ₹51.30 lacs (Previous year: ₹553.17 lacs) which carries interest rate of 3.5% plus LIBOR.

(c) Loans from related parties (Unsecured)

1. The Company has taken an unsecured loan from related party amounting to ₹1,500 lacs (Previous year: ₹1,500 lacs) which is repayable on demand and carries interest rate of 13% per annum.
2. Advanta Seed International, the subsidiary company, has taken an unsecured loan from related party amounting to ₹3,782.10 lacs (Previous year: ₹3,708.90 lacs) which bears interest rate of 6 months USD LIBOR plus 4% and is payable on demand.
3. Advanta Holdings BV, the subsidiary company, has taken an unsecured loan from related party amounting to ₹4,727.63 lacs (Previous year: ₹ Nil) which bears interest rate of 6 months USD LIBOR plus 4% and is payable on demand.

(d) Other loans (Unsecured)

1. Advanta Seeds Pty Limited (formerly known as Pacific Seeds Pty Limited), the subsidiary company, has taken an unsecured loan of ₹467.09 lacs (Previous year: ₹457.48 lacs) which carries interest rate of 3.40% and is repayable monthly with a final payment due on September 2015.

10. Trade payables and Other current liabilities

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Trade payables	30,818.17	40,516.11
Other current liabilities		
Current maturities of long term borrowings (refer note 5)	2,186.03	2,752.79
Interest accrued and due on borrowings	859.05	957.06
Interest accrued but not due on borrowings	436.59	796.45
Provision for mark-to-market losses on derivatives (net)	-	2,313.78
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	0.11	0.11
Other Payables		
Advances from customers	5,166.55	3,112.06
Trade deposits	149.84	151.34
Capital goods creditors	135.10	13.10
Statutory liabilities	1,862.54	1,855.41
Others (refer note 44)	30.49	2,580.25
	10,826.30	14,532.35

1.1. Tangible assets

₹ Lacs

	Land - Freehold	Land - Leasehold	Buildings	Plant and equipment #	Furniture and fixtures	Motor Vehicles	Leasehold improvements	Total
Cost								
As at January 1, 2013	3,558.83	14.52	5,193.91	14,216.61	1,677.20	880.03	59.22	25,600.32
Additions	-	-	944.34	870.11	192.06	2.83	-	2,009.34
Disposals	-	-	97.49	49.92	11.93	33.25	-	192.59
Exchange difference	(53.59)	(0.49)	424.91	288.91	62.43	25.59	-	747.76
As at December 31, 2013	3,505.24	14.03	6,465.67	15,325.71	1,919.76	875.20	59.22	28,164.83
Additions	-	-	328.35	1,036.33	145.53	37.50	-	1,547.71
Disposals	-	-	118.99	144.06	131.64	9.04	-	403.73
Exchange difference	(168.60)	(0.86)	50.39	(310.69)	(8.88)	(14.85)	-	(453.49)
As at December 31, 2014	3,336.64	13.17	6,725.42	15,907.29	1,924.77	888.81	59.22	28,855.32
Depreciation								
As at January 1, 2013	-	13.42	1,740.95	9,503.24	1,233.81	816.84	13.60	13,321.86
Charge for the year	-	-	186.63	926.14	116.20	24.41	0.13	1,253.51
Disposals	-	-	87.72	47.90	11.68	31.92	-	179.22
Exchange difference	-	(0.45)	65.07	133.13	48.43	20.81	5.79	272.78
As at December 31, 2013	-	12.97	1,904.93	10,514.61	1,386.76	830.14	19.52	14,668.93
Charge for the year	-	-	207.74	927.55	169.29	16.32	5.63	1,326.53
Disposals	-	-	123.11	125.87	131.10	8.59	(0.01)	388.66
Exchange difference	-	(0.79)	(17.76)	(247.38)	(4.37)	(13.88)	-	(284.18)
As at December 31, 2014	-	12.18	1,971.80	11,068.91	1,420.58	823.99	25.16	15,322.62
Net block								
As at December 31, 2013	3,505.24	1.06	4,560.74	4,811.10	533.00	45.06	39.70	13,495.90
As at December 31, 2014	3,336.64	0.99	4,753.62	4,838.38	504.19	64.82	34.06	13,532.70

Includes assets given on operating lease.

12. Intangible assets

	Goodwill*	Technical knowhow	Technology license fees	Software	Germplasm	Project Sunsat (Development cost) (refer note 35b)	Brands/ Trade marks #	NGSP Research	Total
₹ Lacs									
Cost									
As at January 1, 2013	45,464.30	1,095.35	1,001.09	306.09	815.50	9,447.60	8,344.14	9.06	66,483.13
Additions	-	-	87.61	-	53.09	2,179.88	-	-	2,320.58
Exchange difference	953.47	-	126.16	(5.80)	-	1,814.35	(69.27)	0.21	2,819.12
As at December 31, 2013	46,417.77	1,095.35	1,214.86	300.29	868.59	13,441.83	8,274.87	9.27	71,622.83
Additions	-	-	76.44	-	-	-	-	-	76.44
Exchange difference	170.56	-	25.70	(10.06)	-	(1,340.78)	(120.45)	0.18	(1,274.85)
As at December 31, 2014	46,588.33	1,095.35	1,317.00	290.23	868.59	12,101.05	8,154.42	9.45	70,424.42
Amortisation									
As at January 1, 2013	-	906.85	410.25	232.37	419.14	2,121.32	4,714.55	4.06	8,808.54
Charge for the year	-	58.00	103.00	13.61	84.65	1,136.28	830.95	0.88	2,227.37
Exchange difference	-	-	52.91	(5.80)	0.01	459.06	(41.79)	0.55	464.94
As at December 31, 2013	-	964.85	566.16	240.18	503.80	3,716.66	5,503.71	5.49	11,500.85
Charge for the year	-	58.00	116.26	13.61	86.85	1,279.04	826.59	0.92	2,381.27
Exchange difference	-	-	14.12	(10.06)	-	(439.66)	(89.76)	0.14	(525.22)
As at December 31, 2014	-	1,022.85	696.54	243.73	590.65	4,556.04	6,240.54	6.55	13,356.90
Net block									
At December 31, 2013	46,417.77	130.50	648.70	60.11	364.79	9,725.17	2,771.16	3.78	60,121.98
At December 31, 2014	46,588.33	72.50	620.46	46.50	277.94	7,545.01	1,913.88	2.90	57,067.52

* Goodwill represents the excess of consideration paid towards acquisition of subsidiaries over the net assets acquired, arising on consolidation of such subsidiaries ₹37,079.20 lacs (Previous Year: ₹37,079.20 lacs).

There are no disposals in the current and previous year.

Brands amounting to ₹6,304.71 lacs (Previous year: ₹6,304.71 lacs) are in the process of being transferred to the name of the Company.

13. Non - current investments

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Non trade investment (valued at cost unless stated otherwise)		
(i) Investment in government or trust securities (Unquoted)		
National savings certificate	0.42	0.42
Indira Vikas Patra	0.11	0.11
	0.53	0.53
(ii) Investment in equity shares		
Equity shares of Old Irrigation Co-operative	0.52	0.55
Equity shares of East Kimberly Co-operative	0.31	0.33
	0.83	0.88
Less: Provision for diminution in value of investments	0.83	0.88
	-	-
Aggregate amount of unquoted investments	0.53	0.53

14. Deferred tax assets (net)

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	1,558.74	604.81
	1,558.74	604.81
Deferred tax assets		
On expenditure that is allowed on payment basis	1,104.75	747.11
On provision for doubtful debtors and advances	144.85	59.79
Carry forward losses (refer note 33)	9,188.70	7,065.64
Others	1,849.28	469.81
	12,287.58	8,342.35
	10,728.84	7,737.54

15. Loans and advances

	Long term		Short term	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
Capital advances				
Unsecured, considered good	189.96	40.02	-	-
(A)	189.96	40.02	-	-
Sundry deposits				
Unsecured, considered good	119.45	104.43	9.77	-
Doubtful	45.84	45.84	-	-
	165.29	150.27	9.77	-
Provision for doubtful sundry deposits	45.84	45.84	-	-
(B)	119.45	104.43	9.77	-
Advances recoverable in cash or kind				
Unsecured, considered good	174.44	173.84	1,936.09	2,289.01
Doubtful	556.76	440.53	-	-
	731.20	614.37	1,936.09	2,289.01
Provision for doubtful advances	556.76	440.53	-	-
(C)	174.44	173.84	1,936.09	2,289.01
Other loans and advances (Unsecured)				
Advance income tax (net of provision for taxation)	2,259.01	2,944.10	-	-
Balance with government authorities	33.32	458.72	1,986.55	1,545.77
MAT credit entitlement	748.24	592.89	39.42	-
Prepaid expenses	-	-	1,274.93	1,493.09
(D)	3,040.57	3,995.71	3,300.90	3,038.86
(A+B+C+D)	3,524.65	4,314.00	5,246.76	5,327.87

16. Other assets

	Non-Current		Current	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note 19)	-	565.74	-	-
Assets held for sale (refer note 45)	-	-	380.63	432.66
Unrealised gain on forward contract	-	-	338.52	518.25
Reimbursement receivable	161.57	216.40	161.15	300.44
Interest accrued on deposits	-	-	31.69	84.35
Others (refer note 44)	-	-	277.50	2,897.78
	161.57	782.14	1,189.49	4,233.48

17. Inventories (at lower of cost and net realisable value)

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Raw seeds [including in transit ₹107.27 (Previous year ₹ Nil)]	14,656.55	18,903.26
Stores, spares and consumables	1,834.99	1,328.88
Packing materials	638.13	501.37
Work - in - progress - Seeds	5,444.81	6,709.35
Finished goods [including in transit ₹327.61 (Previous year ₹550.86)]	28,467.54	21,795.53
	51,042.02	49,238.39

18. Trade receivables

	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs
Unsecured, considered good unless stated otherwise		
Debts outstanding for a period exceeding six months		
Secured, considered good	112.74	79.33
Considered good	10,901.73	7,806.99
Considered doubtful	1,336.79	1,208.20
	12,351.26	9,094.52
Provision for doubtful receivables	1,336.79	1,208.20
	11,014.47	7,886.32
Other debts		
Unsecured, considered good	47,699.83	33,097.61
Considered doubtful	282.37	222.54
	47,982.20	33,320.15
Provision for doubtful receivables	282.37	222.54
	47,699.83	33,097.61
	58,714.30	40,983.93

19. Cash and bank balances

	Non-Current		Current	
	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
Cash and cash equivalents				
Bank balances				
On current accounts	-	-	8,291.12	15,478.40
On unpaid dividend accounts	-	-	0.11	0.11
On deposit accounts	-	-	839.72	1,121.61
Cash on hand	-	-	4.48	4.80
(A)	-	-	9,135.43	16,604.92
Other bank balances				
On deposit accounts (original maturity of more than 12 months)	-	-	0.11	0.11
On margin money deposit (under lien with bank)	-	565.74	1,596.48	967.94
(B)	-	565.74	1,596.59	968.05
(A+B)	-	565.74	10,732.02	17,572.97
Amount disclosed under non current assets (refer note 16)	-	(565.74)	-	-
	-	-	10,732.02	17,572.97

20. Revenue from operations

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Revenue from operations		
Sale of seeds	142,769.75	117,809.85
Sale of services	383.93	118.40
	143,153.68	117,928.25
Other operating revenue		
Business development fees	-	420.74
Sale of remnants	406.96	159.35
Royalty income	6,125.11	5,780.14
Price variance/ adjustment for previous year	118.27	-
Government grants [refer note 5(d)]	13.37	22.20
Lease rent income	150.00	150.00
Sale of fertilisers and chemicals	101.84	167.55
Miscellaneous income	1,186.10	879.60
	8,101.65	7,579.58
	151,255.33	125,507.83

21. Other income

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Interest income	498.40	260.71
Gain on buy back of debentures	-	0.84
Provisions written back	19.22	284.65
Miscellaneous income	132.25	202.21
	649.87	748.41

22. Cost of raw material consumed

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Inventories at the beginning of the year	18,903.26	9,381.65
Add: Produced	32,929.66	38,831.18
Add: Foreign exchange adjustment	121.80	1,349.43
Less: Inventories at the end of the year	14,656.55	18,903.26
Consumption of raw seed	37,298.17	30,659.00
Purchase of seeds	20,548.97	16,439.42
Chemical and fertilizer consumed	2,118.00	1,975.40
Freight inwards	2,200.23	2,422.97
	62,165.37	51,496.79

23. Increase in inventories

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Inventories at the beginning of the year		
Work-in-process	6,709.35	4,115.19
Finished goods	21,795.53	14,282.24
	28,504.88	18,397.43
Inventories at the end of the year		
Work-in-process	5,444.81	6,709.35
Finished goods	28,467.54	21,795.53
	33,912.35	28,504.88
Adjustment for fluctuation in exchange rates	(728.52)	615.05
	(6,135.99)	(9,492.40)

24. Employee benefit expenses *

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Salaries, wages and bonus	18,977.26	15,410.37
Contribution to provident and other funds (refer note 43)	715.02	668.82
Gratuity expense (refer note 43)	220.82	105.79
Workmen and staff welfare expenses	961.43	684.20
	20,874.53	16,869.18

* Refer note 41 on expenditure reimbursement.

25. Other expenses *

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Power and fuel	740.25	770.56
Seeds processing charges and other charges	3,979.92	3,513.43
Repairs		
- Buildings	112.86	221.92
- Machinery	494.78	386.93
- Others	92.72	77.56
Rent	9,117.12	9,076.71
Rates and taxes	1,115.56	1,037.06
Insurance	765.68	656.33
Packing, freight and transport	2,549.32	2,597.69
Travelling and conveyance	3,002.74	2,764.68
Communication expenses	499.92	489.90
Printing and stationery	133.78	142.47
Advertisement and sales promotion	2,797.61	2,556.55
Commission	3,021.17	3,273.72
Royalty	672.89	438.04
Stores and spares consumed	2,335.42	2,625.40
Production and farm expenses	2,366.13	2,263.54
Bad debts written off (net)	53.56	427.68
Advances written off	6.64	37.04
Share issue expenses written off	-	84.41
Provision for doubtful debts and advances	347.18	176.29
Provision for stock damages	2,057.91	1,710.80
Inventory written off	1,193.03	1,600.37
Provision for litigation	22.59	39.24
Legal and consultancy charges (refer note below)	2,853.93	2,340.37
Loss on sale of fixed assets (net)	48.07	1.41
Asset written off	-	0.54
Exchange difference (net)	1,959.35	1,331.11
Miscellaneous expenses	7,640.32	7,294.22
	49,980.45	47,935.97

* Refer to note 41 on expenditure reimbursement.

Payments to auditors of the Holding Company, included in Legal and consultancy charges

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Audit fees	19.00	19.00
Fee for certification	0.82	1.35
Taxation matters	17.33	3.03
Others	0.83	4.00
	37.98	27.38

26. Depreciation and amortisation expense

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Depreciation on tangible assets (refer note 11)	1,326.53	1,253.51
Amoritsation on intangible assets (refer note 12)	2,381.27	2,227.37
Amortisation of capital work-in-progress	240.91	198.87
	3,948.71	3,679.75

27. Finance costs

	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ Lacs	₹ Lacs
Interest expenses	7,872.16	6,592.17
Exchange difference (net)	2,796.00	1,357.42
Other financial charges	1,314.30	1,348.87
	11,982.46	9,298.46

28(i) Employees stock option plan (ESOP)

The Company provides share-based payments to its employees. During the year ended December 31, 2014, the following employee stock option plan (ESOP) were in existence. The relevant details of the scheme and the grant are as follows:

a Employees stock option and share plan 2006

The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on September 20, 2006 which provides for a grant of 840,000 options (each option convertible into share) to employees.

Particulars	December 31, 2014	December 31, 2013
Options granted during the year 2006 to 2012 (net of options lapsed)	586,075	631,450
Method of settlement (Cash/Equity)	Equity	Equity
Vesting period	Spread over 4 years and 6 months	Spread over 4 years and 6 months
Exercise period	10 years	10 years

b The details of the activity have been summarized below

Particulars	As at December 31, 2014	As at December 31, 2013
	(No. of equity shares)	(No. of equity shares)
Outstanding at the beginning of the year	461,625	560,065
Exercisable at the beginning of the year	255,975	226,170
Forfeited during the year	37,125	58,445
Exercised during the year	28,770	26,610
Vested during the year	57,425	69,800
Expired during the year	8,250	13,385
Outstanding at the end of the year	387,480	461,625
Exercisable at the end of the year	276,380	255,975
Weighted average remaining contractual life (in years)	7.01	6.23

For options exercised during the year, the weighted average share price at the exercise date was ₹231.10 (Previous year: ₹154.89).

c Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	December 31, 2014	December 31, 2013
Weighted average share price/market price (₹ per share)	68.75	68.75
Exercise price (₹ per share)	57.00	57.00
Expected volatility	64.49%	64.49%
Expected life	Vesting period + 18 months	Vesting period + 18 months
Expected dividends	0.30% per annum	0.30% per annum
Average risk-free interest rate	8.04% per annum	8.04% per annum

d Effect of the employee option plan on the Statement of Profit and Loss and on its financial position

Particulars	December 31, 2014	December 31, 2013
	₹ In lacs	₹ In lacs
Total employee compensation cost pertaining to stock option plan	7.13	7.13
Liability for employee stock option plan outstanding as at the year end	17.19	13.07

28(ii) Employees stock option plan (ESOP) 2013

- a** The Company instituted an Employees Stock Option Scheme ("ESOPs") for certain employees as approved by the shareholders on December 03, 2013 which provides for a grant of 1,300,000 options (each option convertible into share) to employees.

Particulars	December 31, 2014		
	Dates of grant	30-Jan-14	27-May-14
Dates of board approval	30-Jan-14	27-May-14	25-Jul-14
Date of shareholders approval	3-Dec-13	3-Dec-13	3-Dec-13
Number of options granted	711,752	35,000	5,630
Method of settlement (Cash / Equity)	Equity	Equity	Equity
Vesting period	Spread over 4 years		
Exercise period	60 months from the date of grant		

- b** The details of the activity have been summarized below

Particulars	As at December 31, 2014	As at December 31, 2013*
	(No. of equity shares)	(No. of equity shares)
Outstanding at the beginning of the year	-	-
Exercisable at the beginning of the year	-	-
Granted during the year	752,382	-
Outstanding at the end of the year	752,382	-
Exercisable at the end of the year	-	-
Weighted average remaining contractual life (in years)	4.10	-

* Not applicable since no ESOP's were granted during the previous year.

c Stock options granted

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	As at December 31, 2014	As at December 31, 2013
Weighted average share price/market price (₹ per share)	112.81	-
Exercise price (₹ per share)	Grant 1 ₹103.80	-
	Grant 2 ₹262.75	-
	Grant 3 ₹319.70	-
Expected volatility	49.17%	-
Expected life	Vesting period + 6 months	-
Expected dividends	0%	-
Average risk-free interest rate	8.71% per annum	-

d Intrinsic value is ₹ Nil for the options granted, hence no employee stock option compensation.

e Since, the Company used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value method is as under:

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ In lacs	₹ In lacs
Net profit as reported	8,353.88	4,448.71
Add: Employee stock compensation under intrinsic value method	7.13	7.13
Less: Employee stock compensation under fair value method	103.63	25.65
Proforma profit for basic earnings per share	8,257.38	4,430.19
Add: Interest on FCCB convertible into equity shares	1,333.47	-
Add: Exchange loss on FCCB convertible into equity shares	610.00	-
Proforma profit for diluted earnings per share	10,200.85	4,430.19
Earning per share (₹)		
Basic		
- as reported	9.90	5.28
- Proforma	9.79	5.25
Diluted		
- as reported	8.25	5.26
- Proforma	8.17	5.24

29. Contingent liabilities

- Income tax matters of the holding company under dispute: Pending with authorities at various levels ₹1,419.52 lacs (Previous year ₹ 2,856.88 lacs).
- Service tax matters of the holding company under dispute: Pending with CESTAT, Bangalore ₹490.13 lacs (Previous year: ₹490.13 lacs) exclusive of penal interest.
- Claims against the holding company not acknowledged as debts ₹52.97 lacs (Previous year: ₹73.75 lacs).

In respect of items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments/decisions pending at various forums/authorities. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the company's financial position and results of operations.

- d) In January, 2013, the Company has received a show cause notice from the Directorate of Enforcement, alleging that the Company has contravened certain provisions of the Foreign Exchange Management Act, 1999 with regard to foreign direct investment made/received and its utilisation. The Management has replied to the show cause notice and had personal hearings to represent their matter and the same is pending before the authority and believes that there is a fair chance of defending the case based on internal assessment/legal opinion.
- e) In case of Advanta Seeds Pty Ltd., Australia, the aggregate maximum amount payable to growers providing expected seed quality of ₹897.62 lacs (Previous year: ₹827.95 lacs).

30. Capital and other commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) ₹605.48 lacs (Previous year: ₹183.96 lacs).
- b) Advanta US Inc, USA, has entered into an agreement with Syngenta Seeds, Inc. for the resale and distribution of Syngenta branded seed corn. It is a ten year agreement expiring on August 31, 2024, in which they must exclusively sell Syngenta brands during the first 5 years, and are committed to minimum sales percentages during the remainder of the contract. Under the terms of the agreement, Advanta US Inc, USA will receive 100,000 units of seed corn up front, and is committed to the following purchases: Crop year 1: 20,000 units; Crop year 2: 35,000 units; Crop year 3: 50,000 units; Crop year 4: 50,000 units and Crop year 5: 50,000 units. Products sold under this agreement shall be no less than the following of total corn seed sales: Crop year 6: 80%; Crop year 7: 60%; Crop year 8: 40% and Crop year 9: 20%. As of December 31, 2014 the effects of these commitments are unknown.
- c) For commitments relating to lease arrangements, please refer note 36.

31. Government grants / subsidy

Capital reserve represents State Investment subsidy sanctioned by the Government of Andhra Pradesh, for setting up of a unit at Toopran Mandal, Andhra Pradesh under Target 2000 Scheme of the State Government.

32. Inventory valuation

Raw material, components, stores and spares and packing material

- a) In case of Advanta Seeds Pty Ltd, Australia, the cost is determined on a standard cost basis that approximates weighted average method. These standards are reviewed regularly and adjusted for significant variances.
- b) In case of Advanta US Inc, USA, cost is determined on a standard cost basis that approximates first-in-first-out method. These standards are reviewed regularly and adjusted for significant variances.
- c) In case of holding company and other subsidiary companies of the group, the cost is determined on weighted average basis.

Finished goods and work in progress

- a) In case of Advanta US Inc, USA, cost is determined on a standard cost basis that approximates first-in-first-out method.
- b) In case of holding company and other subsidiary companies of the group, the cost is determined on weighted average basis.

The management considers it impracticable to use a uniform accounting policy for the valuation and to quantify the impact of the difference between such accounting policies. As at December 31, 2014:

- i) Of the total value of raw materials, components, stores and spares and packing materials of ₹17,129.67 lacs (Previous year: ₹20,733.51 lacs), cost of inventories amounting to ₹1,885.56 lacs (Previous year: ₹1,628.60 lacs) have been determined on standard cost basis that approximates weighted average method and ₹13,047.12 lacs (Previous year: ₹17,000.21 lacs) on a standard cost basis that approximates first-in-first-out method.

- ii) Of the total value of finished goods and work in progress of ₹33,912.35 lacs (Previous year: ₹28,504.88 lacs) cost of inventories amounting to ₹3,763.88 lacs (Previous year: ₹2,651.09 lacs) have been determined on a standard cost basis that approximates first-in-first-out method.

33. Recognition of deferred tax assets/MAT credit

The following are the entity wise details of deferred tax asset created on unused tax losses and other assets, since the management is of the opinion that the said unused losses can be utilised:

Particulars	Deferred tax asset (balance sheet)	Recognised in Statement of Profit and Loss	Recognised in foreign currency translation reserve
a) Pacific Seeds Holdings (Thailand) Limited			
December 31, 2014	454.70	47.14	(275.87)
December 31, 2013	683.43	263.14	-
b) Long reach Plant Breeders Management Pty Limited			
December 31, 2014	2,510.17	(129.91)	-
December 31, 2013	2,640.08	220.46	-
c) PT Advanta Seeds Indonesia			
December 31, 2014	395.67	186.39	4.92
December 31, 2013	204.36	91.33	-
d) Advanta Comercio De Sementes Ltda			
December 31, 2014	2,598.21	588.54	382.91
December 31, 2013	1,626.76	1,046.17	-
e) Advanta Holdings B.V.			
December 31, 2014	1,526.29	347.36	-
December 31, 2013	1,178.93	73.24	-
f) Advanta Semillas SAIC			
December 31, 2014	1,909.46	832.08	165.44
December 31, 2013	911.94	221.31	-
TOTAL			
December 31, 2014	9,394.50	1,871.60	277.40
December 31, 2013	7,245.50	1,915.65	-

- g) During the year, in case of Advanta Semillas SAIC, the said subsidiary company has recognised MAT credit totalling ₹748.24 lacs (Previous year: ₹592.89 lacs) as on December 31, 2014 in the balance sheet and recognised credits of ₹155.35 lacs (Previous year: ₹85.73 lacs) in the Statement of Profit and Loss for the year ended on December 31, 2014, since the management is of the opinion that the said MAT credit can be utilised.

34 Consolidated earnings per share

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Basic earnings per share		
Net profit attributable to equity shareholders	8,353.88	4,448.71
Net profit before exceptional items	9,242.10	6,117.67
Weighted average number of equity shares outstanding	84,356,750	84,329,527
Basic earnings per share (₹)	9.90	5.28
Basic earnings per share (₹) before exceptional item	10.96	7.25
Diluted earnings per share		
Net profit attributable to equity shareholders	8,353.88	4,448.71
Add: Interest on FCCB convertible into equity shares	1,333.47	-
Add: Exchange loss on FCCB convertible into equity shares	610.00	-
Net profit for computation of dilutive earnings per share	10,297.35	4,448.71
Net profit before exceptional items	9,242.10	6,117.67
Add: Interest on FCCB convertible into equity shares	1,333.47	-
Add: Exchange loss on FCCB convertible into equity shares	610.00	-
Net profit before exceptional items for computation of dilutive earnings per share	11,185.57	6,117.67
Weighted average number of equity shares outstanding	84,356,750	84,329,527
Add: Dilutive impact of employee stock options	703,268	288,289
Add: Dilutive impact of convertible FCCB	39,722,104	-
Weighted average number of equity shares for computing diluted earnings per share	124,782,122	84,617,816
Diluted earnings per share (₹)	8.25	5.26
Diluted earnings per share (₹) before exceptional item	8.96	7.23
Nominal value of equity shares (₹)	2.00	2.00
The conversion of foreign currency floating rate guaranteed convertible bonds into equity shares, if made, would have the effect of increasing the profit per share for the previous year and would therefore be anti-dilutive and hence, are ignored for the purpose of computing diluted earnings per share for the previous year.		

35. Product development expenditure

- a Intangible asset under development includes Project wheat development expenditure amounting to ₹2,075.28 lacs (Previous year: ₹2,026.44 lacs) by the subsidiary company, Longreach Plant Breeders Management Pty Ltd, as the project is still under development. The Company expects to complete the development work and commercialize the project in full stream by 2015.
- b Intangible assets includes expenditure incurred on the Project Sunsat upto December 31, 2014 amounting to ₹12,101.05 lacs (Previous year ₹13,441.83 lacs) by the subsidiary company, Advanta Holding B.V. The expenditure so capitalized is amortised over the period of expected future sales from the related project i.e. over their estimated useful lives of ten years on a straight line basis.

36. Operating leases

Group as lessee (Lease payments)

The group has taken certain office premises, vehicles, warehouses, computers, land and buildings on operating lease. The lease term ranges from 1 year to 10 years and renewable thereafter. The leases are cancellable at any time with

no escalation clauses in the lease agreements. There are no restrictions imposed by lease arrangements. There are no subleases. Lease rental expense for the year for the agreements entered into is ₹9,117.12 lacs (Previous year: ₹9,076.71 lacs).

Holding company as lessee (Lease receipts)

The Company entered into an agreement for lease of certain assets and ₹150.00 lacs (Previous year: ₹150.00 lacs) have been recognised as rental income in the Statement of Profit and Loss. The lease is cancellable at any time.

37. Derivative instruments and un-hedged foreign currency exposure

a) Forward contracts outstanding as at Balance Sheet date

Purpose	Nature of contract	As at December 31, 2014	As at December 31, 2013
Hedge of expected future purchase	Buy	AUD 0.77	AUD 0.54
Hedge of expected future sales	Sell	AUD 6.77	AUD 5.05

Particulars of derivatives contracts entered into for hedging purpose outstanding as at Balance Sheet date

Purpose	Nature of contract	As at December 31, 2014	As at December 31, 2013
Currency and interest rate swap	Euro	-	143.58

Purpose: Hedge of foreign currency advance given to subsidiary (in EURO) and hedge against exposure to variable interest outflow on loans. As per the full currency swap arrangement, the Company converts underlying INR liability to EURO liability to provide a natural hedge against the EURO loan given. As per the arrangement, the Company will receive 6.51%p.a on INR notional liability (₹10,000 lacs) for the period and pay ₹ Nil on EURO Notional. The Company has not renewed the contract in the current year.

b) Particulars of un-hedged foreign currency exposure

Particulars	Foreign currency	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
		(Foreign currency in lacs)	(Foreign currency in lacs)	(₹ in lacs)	(₹ in lacs)
Foreign currency floating rate guaranteed convertible bonds (FCCB)	USD	500.00	500.00	31,517.50	30,907.50
Short term borrowings	USD	4.34	1.56	273.68	96.43
Interest payable	USD	4.30	4.32	270.98	266.77
Trade payables	EURO	0.27	0.56	20.65	47.67
	USD	5.61	3.60	353.69	222.53
	AUD	0.39	2.39	20.17	131.67
Advance from customers	USD	0.55	0.22	34.93	13.37
Exports trade receivables	USD	8.28	2.72	522.11	168.14
	EURO	-	6.39	-	543.93

38. Provision for litigation

Particulars	As at	As at
	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Opening balance	156.90	108.62
Additions during the year	22.59	39.24
Amounts used during the year	34.24	-
Exchange difference on translation	2.74	9.04
Closing balance	147.99	156.90

Provision for litigation relates to provision for labour and commercial claims in a subsidiary.

39. Segment Information

a. Business Segment

The Group has considered business segment as the primary segment for disclosure. The Group is engaged in research, production and distribution of hybrid seeds, which in the context of Accounting Standard 17 is considered the only Business Segment.

b. Geographical Segment

Secondary segmental information is based on the operations of the Group that are managed from independent locations, which are located in different geographical locations. However, each of these operating locations are further aggregated based on the following factors: (a) similarity of economic and political conditions; (b) relationships between operations in different geographical areas; (c) proximity of operations; (d) special risks associated with operations in a particular area; (e) exchange control regulations; and (f) the underlying currency risk. Accordingly, the following have been identified as operating and reportable segments: (a) 'Asia Pacific', (b) NAFTA Countries ('NAFTA') (c) Latin America ('LATAM') and (d) 'Europe'.

Information about Secondary Geographical Segments

Particulars	Year	Revenue	Segment assets	Capital Expenditure
Asia Pacific	2014	95,899.31	83,635.62	1,296.33
	2013	80,143.58	74,962.92	1,230.99
NAFTA	2014	25,120.74	41,639.55	526.66
	2013	20,193.94	37,710.25	123.67
LATAM	2014	25,159.28	30,923.39	754.09
	2013	21,650.63	25,814.07	520.47
Europe	2014	5,076.00	34,830.57	-
	2013	3,519.68	38,498.92	2,179.88
Unallocated	2014	-	24,539.75	-
	2013	-	29,498.12	-
Total	2014	151,255.33	215,568.88	2,577.08
	2013	125,507.83	206,484.28	4,055.01

40 Related party disclosures

Related parties of the Group as identified by the management and relied upon by the auditors

a List of related parties

(i) Enterprises over which the Group or key management personnel and their relatives have significant influence:

UPL Limited (Formerly United Phosphorus Limited)
Bio-win Corporation Limited
United Phosphorus Limited Gibraltar
Icona SAIC
Jai Research Foundation
SWAL Corporation Limited
United Phosphorus Mexico SA De CV
UPL Columbia SAS
Uniphos Ecuador
Cerexagri
UPL Limited, Hong Kong
PT Catur Agrodaya Mandiri
Benchbio Private Limited

b Key management personnel

Venkatram Vasantvada - Whole Time Director (appointed w.e.f. November 01, 2014)
V. R. Kaundinya - Managing Director (resigned w.e.f. January 01, 2014)

c Transactions with related parties during the year and balances at year end

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ in lacs	₹ in lacs
Sales		
UPL Limited	8,528.21	2,260.88
PT Catur Agrodaya Mandiri	-	151.35
UPL Columbia SAS	570.00	188.30
Uniphos Ecuador	-	0.18
Sales returns		
Icona SAIC	-	(1,712.31)
Other income		
Bio-win Corporation Limited	3.59	-
United Phosphorus Limited Gibraltar	-	2,212.86
Purchase of Services		
Icona SAIC	13.11	4.80
Purchase of Goods		
UPL Limited	209.47	272.41
Royalty Income		
UPL Limited	1,218.39	930.95

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	₹ in lacs	₹ in lacs
Lease rental income		
UPL Limited	150.00	150.00
Interest expense		
Bio-win Corporation Limited	368.70	116.40
UPL Limited	436.61	1,261.30
SWAL Corporation Limited	132.84	557.19
Other Reimbursement		
UPL Limited - Expenses received -R&D	314.00	709.01
UPL Limited - Expenses received -Others	339.60	236.26
UPL Limited - Expenses made	-	1.37
UPL Limited -Transfer of customer Balances	8.11	4.39
United Phosphorus Mexico SA De CV - Expenses made	-	160.61
Cerexagri	1.37	-
UPL Columbia SAS	345.35	71.73
UPL Limited, Hong Kong	65.94	-
Remuneration		
Key managerial personnel	109.03	209.60
Loan paid		
UPL Limited	4,000.00	2,650.00
United Phosphorus Limited Gibraltar	2,348.46	-
Bio-win Corporation Limited	-	4,202.49
Non convertible debentures (NCD)		
UPL Limited - Repurchase of NCD	9,500.00	1,500.00
SWAL Corporation Limited - Repurchase of NCD	5,200.00	-
UPL Limited- Reissue of NCD	-	1,300.00
Commercial Paper Redeemed		
UPL Limited	-	1,500.00
Loan taken		
UPL Limited	4,000.00	2,850.00
Bio-win Corporation Limited	4,727.63	4,202.49

Particulars	As at	As at
	December 31, 2014	December 31, 2013
	₹ in lacs	₹ in lacs
Balance payable by the Company		
Loans payable		
UPL Limited	1,500.00	1,500.00
Bio-win Corporation Limited	8,509.73	3,708.90
Non convertible debentures (NCD)		
UPL Limited	-	9,500.00
SWAL Corporation Limited	-	5,200.00
Current liabilities		
Bio-win Corporation Limited	418.07	154.59
UPL Limited	-	61.18
UPL Limited- Interest Payable	88.47	492.59
UPL Columbia SAS	22.14	11.16
SWAL Corporation Limited	-	141.12
United Phosphorus Limited Gibraltar	-	2,348.46
Balance receivable by the Company		
Icona SAIC	0.23	-
United Phosphorus Mexico SA De CV	-	0.94
UPL Limited	5,353.73	390.15
United Phosphorus Limited Gibraltar	-	2,294.57
UPL Columbia SAS	316.62	199.28
Uniphos Ecuador	0.19	0.19
Jai Research Foundation	4.56	4.56
PT Catur Agrodaya Mandiri	-	151.35
UPL Limited, Hong Kong	7.65	-
Benchbio Private Limited	40.97	40.18

41. The Company has entered into an agreement with its group company for cost sharing of research and development and other expenses. Pursuant to that, the Company has recovered ₹653.60 lacs (Previous year: ₹945.27 lacs) and the same has been adjusted against the respective expenses as under:

Particulars	For the year ended	For the year ended
	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Salaries, wages and bonus	331.85	411.51
Contribution to provident and other funds	14.17	22.01
Gratuity expenses	4.06	5.03
Staff welfare expenses	9.15	9.08
Total - A	359.23	447.63
Power and fuel	12.97	27.72
Repairs and maintenance	3.79	10.19
Rent	10.06	30.73
Travelling and conveyance	32.40	69.26
Communication costs	5.35	8.53
Printing and stationery	1.51	2.70
Production and farm expenses	154.11	203.11
Legal and consultancy charges	1.20	23.79
Others	72.98	121.61
Total - B	294.37	497.64
Total - (A+B)	653.60	945.27

42. Research and development expenses

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Revenue expenditure		
Gross expenditure	12,216.16	11,370.96
Less: Recharged (refer note 40)	314.00	709.10
Net expenditure	11,902.16	10,661.86
Capital expenditure	319.66	286.39

43. Details of employee benefits

a) Defined benefit plan-gratuity

The Company and Pacific Seeds (Thai) Limited, subsidiary company, each has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service. The scheme of the Company is funded with an insurance company in the form of a qualifying insurance policy. The scheme of the subsidiary company is non funded.

i) Statement of Profit and Loss

	For the year ended December 31, 2014	For the year ended December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Net employee benefit expenses (recognized in employee benefit expenses)		
Current service cost	97.39	99.57
Interest cost on benefit obligation	55.52	48.66
Expected return on plan assets	(0.73)	(1.44)
Net actuarial loss/(gain) recognized during the year	68.64	(41.00)
Net benefit expense	220.82	105.79

ii) Balance sheet

	As at December 31, 2014	As at December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Details of provision for gratuity		
Defined benefit obligation - Funded	141.03	135.47
Defined benefit obligation - Non funded	1,251.80	1,050.41
Fair value of plan assets	(5.32)	(8.42)
Plan liability	1,387.51	1,177.46

iii) Changes in the present value of the defined benefit obligation

	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Opening defined benefit obligation	1,185.88	1,060.77
Interest cost	55.52	48.66
Current service cost	97.39	99.57
Exchange differences on obligation	21.24	41.62
Benefits paid	(35.53)	(23.53)
Actuarial (gains)/loss on obligation	68.33	(41.21)
Closing defined benefit obligation	1,392.83	1,185.88

iv) Changes in the fair value of plan assets

	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Opening fair value of plan assets	8.42	16.80
Expected return	0.73	1.44
Contributions made by employer during the year	32.01	13.50
Benefits paid	(35.53)	(23.53)
Actuarial gains/ (loss)	(0.31)	0.21
Closing fair value of plan assets	5.32	8.42

v) Expected contribution to defined benefit plan in the next year 49.88 51.84

vi) The major categories of plan assets as a percentage of fair value of total plan assets are as follows:

	December 31, 2014	December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Insurer managed funds (LIC)	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in the expected rate of return on assets due to the improved stock market scenario.

vii) The principal actuarial assumptions at the Balance Sheet date

	As at December 31, 2014	As at December 31, 2013
	(₹ in lacs)	(₹ in lacs)
Discount rate	2.92% to 8.05%	4.01% to 9.25%
Expected rate of return on plan assets	8.05%	8.70%
Expected rate of salary increase	4.00% to 6.00%	5.00% to 6.00%
Employee turnover	2.00% to 7.00%	2.00% to 7.00%

Amounts for the current and previous four periods are as follows

	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010
	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
Defined benefit obligation	1,392.83	1,185.88	1,060.77	745.96	680.94
Plan assets	(5.32)	(8.42)	(16.80)	(20.01)	(19.17)
Net liability	1,387.51	1,177.46	1,043.97	725.95	661.77
Experience adjustment on Plan liability(gains)/losses	68.33	(41.21)	12.65	12.87	19.46
Plan assets(gains)/losses	(0.31)	0.21	0.19	(0.84)	0.22

Note:

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

b) Defined contribution plan

Contribution to provident fund and other funds amounting to ₹715.02 lacs (Previous year: ₹668.82 lacs) has been recognised as an expense and included in note 24 under 'Contribution to provident and other funds' in the Statement of Profit and Loss.

44. Exceptional items

Particulars	December 31, 2014	December 31, 2013
	(₹ In lacs)	(₹ In lacs)
i) Net (insurance proceeds) payable on canola emergence issue (refer note (a))	567.73	749.18
ii) Net (insurance proceeds) payable on sorghum offtypes issue (refer note (b))	-	62.33
iii) Payments made to growers for sorghum offtypes issue (refer note (b))	31.50	857.45
iv) One time severance cost (refer note (c))	289.00	-
	888.22	1,668.96

Note:

- a) A single batch of Canola seed sold during the year ended December 31, 2013, suffered from poor emergence when planted by the growers. During the current year, Advanta Seeds Pty Ltd, subsidiary company, resolved this issue with the result of an additional ₹567.73 lacs paid to settle these claims.
- b) Sorghum seed has been sold to growers that was with specifications per labelling included on the product. Despite this growers have suffered offtypes in their crops that have reduced yields and subsequently incurred costs to remove the problem. Advanta Seeds Pty Ltd, subsidiary company, has taken the commercial decision to provide remedial action for growers by rouging or spraying. The cost of this is represented by (iii) above. Additionally two growers have registered a legal complaint with the subsidiary company over the same issue and this is represented by (ii) above.
- c) During the current year, Advanta US Inc and Advanta Semillas SAIC, subsidiary companies, have incurred ₹67.42 lacs and ₹221.58 lacs respectively towards one time severance cost.

45. Assets held for sale - Advanta US Inc, USA

As of December 31, 2014, the company is actively pursuing the sale of property and equipment located in Crosbyton, TX. The net book value of these assets have been presented as held for sale as of December 31, 2014.

46. The remuneration paid to Mr. Venkatram Vasantavada, Whole- Time Director is in excess of the limits specified under Part II of Schedule V to the Companies Act, 2013. Subsequent to the balance sheet date, the Company has made an application to the Central Government for seeking its approval for payment of remuneration upto ₹250 lacs p.a for a period of 3 years commencing from November 1, 2014. The remuneration paid to Mr. Venkatram for the period November 1, 2014 to December 31, 2014 is subject to the approval of Central Government.

47. Going concern

- a) As at December 31, 2014, Longreach Plant Breeders Management Pty Ltd ("LPBMPL"), subsidiary company, has accumulated losses of ₹4,745.23 lacs (Previous year: ₹5,921.31 lacs) which has exceeded the paid up capital of LPBMPL. This raises doubt about LPBMPL's ability to continue as a going concern. Advanta Seeds Pty Ltd, the holding company of LPBMPL, is committed to infuse the required funds to meet the operational requirements of LPBMPL, as they arise. Accordingly, the financial statements of LPBMPL have been prepared on a going concern basis.
- b) As at December 31, 2014, PT Advanta Seeds Indonesia, Indonesia ("PTASI"), subsidiary company, has accumulated losses of ₹1,186.92 lacs (Previous year: ₹613.00 lacs) which has exceeded the paid up capital of PTASI. This raises doubt about PTASI's ability to continue as a going concern. Advanta Limited, the holding company of PTASI, is committed to infuse the required funds to meet the operational requirements of PTASI, as they arise. Accordingly, the financial statements of PTASI have been prepared on a going concern basis.

- c) As at December 31, 2014, Advanta Comercio De Sementes Ltda ("ACDSL"), subsidiary company, has accumulated losses of ₹5,067.70 lacs (Previous year: ₹3,268.40 lacs) which has exceeded the paid up capital of ACDSL. This raises doubt about ACDSL's ability to continue as a going concern. Advanta Holdings B.V., the holding company of ACDSL, is committed to infuse the required funds to meet the operational requirements of ACDSL, as they arise. Accordingly, the financial statements of ACDSL have been prepared on a going concern basis.

48. Previous year figures have been regrouped/reclassified, where necessary, to conform to the current year's classification.

As per our report of even date.

For S.R.BATLIBOI & ASSOCIATES LLP
Firm Registration Number : 101049W
Chartered Accountants

per Shankar Srinivasan
Partner
Membership No. 213271

Place: Mumbai
Date: February 02, 2015

For and on behalf of the Board of Directors of
Advanta Limited

Jaidev R. Shroff
Chairman

Claudio Torres
Group CEO

Sharat Chandra B
Chief Financial Officer

Place: Mumbai
Date: February 02, 2015

Venkatram Vasantavada
Whole-Time Director

Manoj Gupta
Group CFO

Pushpalatha K
Company Secretary



ATTENDANCE SLIP



Advanta Limited

CIN: L01119TG1994PLC063664

Registered office: Krishnama House, # 8-2-418, 4th Floor, Road No.7,
Banjara Hills, Hyderabad - 500034, Telangana, India.

e-mail: investor@advantaseeds.com | website: www.advantaseeds.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Slip at the venue of the meeting

DP ID*

Master Folio No.

Client ID*

No. of Shares

Name and Address of the Shareholder:

Name of the Proxy:

I hereby record my presence at the **21st ANNUAL GENERAL MEETING** of the Members of the Company held **on Thursday, 23rd April, 2015 at 10:30 A.M.** at **Hotel Taj Krishna**, Road No. 1, Banjara Hills, Hyderabad - 500 034, Telangana, India and at any adjournment thereof.

* Applicable for investor holding shares in electronic form

Member's/Proxy signature







PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]



Advanta Limited

CIN: L01119TG1994PLC063664

Registered office: Krishnama House, # 8-2-418, 4th Floor, Road No.7,
Banjara Hills, Hyderabad - 500034, Telangana, India.

e-mail: investor@advantaseeds.com | website: www.advantaseeds.com

21st Annual General Meeting – April 23, 2015

Name of the Member(s)

Registered Address

Email

Folio No. / Client ID

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DP ID

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I / We, being the member(s) of shares of the above named company, hereby appoint

Name : Email :

Address :

..... Signature: _____

or failing him / her

Name : Email :

Address :

..... Signature: _____

or failing him / her

Name : Email :

Address :

..... Signature: _____

(contd...)





as my / our proxy to attend and vote for me / us on my / our behalf at the **21st ANNUAL GENERAL MEETING** of the Members of the Company to be held **on Thursday, 23rd April, 2015 at 10:30 A.M.** at **Hotel Taj Krishna**, Road No. 1, Banjara Hills, Hyderabad - 500 034, Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below:

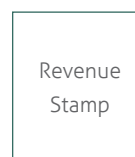
Ordinary Business

1. *Adoption of Audited Standalone Financial Statements, Report of the Board of Directors and Auditors for the financial year ended December 31, 2014*
2. *Adoption of Audited Consolidated Financial Statements and Report of the Auditors for the financial year ended December 31, 2014*
3. *Appointment of a Director in place of Mr. Jaidev R Shroff, who retires by rotation and being eligible, seeks re-appointment*
4. *Appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as Statutory Auditors of the Company*

Special Business:

5. *Adoption of new set of Articles of Association of the Company*

Signed this _____ day of _____ 2015.



.....
Signature of the member

.....
Signature of the proxy holder(s)

Note:

This Proxy Form in order to be effective should be duly filled, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. The Proxy need not be a member of the Company.

* Applicable for investor holding shares in electronic form



POLL PAPER



Advanta Limited

CIN: L01119TG1994PLC063664

Registered office: Krishnama House, # 8-2-418, 4th Floor, Road No.7,
Banjara Hills, Hyderabad - 500034, Telangana, India.

e-mail: investor@advantaseeds.com | website: www.advantaseeds.com

S. No.	Particulars	Details		
1.	Name and address of the sole/first named shareholder as registered with the Company.			
2.	Name(s) of the joint shareholder(s), if any, registered with the Company.			
3.	Registered folio No. / *Client ID No. (*Applicable to shareholders holding shares in dematerialized form)			
4.	Class of share			
I/we hereby exercise my/our vote in respect of Ordinary/Special resolution enumerated below by recording my/our assent or dissent to the said resolutions by placing the () in the appropriate box below:				
Item No.	Description	No. of shares	(For) I/we assent to the resolution	(Against) I/we dissent to the resolution
1.	Adoption of Audited Standalone Financial Statements, Report of the Board of Directors and Auditors for the financial year ended December 31, 2014.			
2.	Adoption of Audited Consolidated Financial Statements and Report of the Auditors for the financial year ended December 31, 2014			
3.	Appointment of a Director in place of Mr. Jaidev R Shroff, who retires by rotation and being eligible, seeks re-appointment.			
4.	Appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as Statutory Auditors of the Company.			
5.	Adoption of new set of Articles of Association of the Company.			

Place:
Date:

(Signature of the Shareholder/
Authorized Representative)



Disclaimer

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



ADVANTA LIMITED

8-2-418, Krishnama House, Road No. 7, Banjara Hills, Hyderabad - 500 034, Telangana, India.

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www.advantaseeds.com