

16th Annual Report

January-December 2009



Advanta India Limited



Dear Shareholder

I am very pleased to present this third annual report of our company since we went public in 2007. 2009 was a very challenging year for the industry. Weather played truant in many parts of the world. We saw unprecedented drought in Australia and Argentina. We saw a drought followed by floods in India. The commodity prices came down after the high of 2008 but still remained at a higher level than the levels prior to 2008. So it was a happy situation for the farmer.

For Advanta the year turned out to be an average one. The top line growth is 11% which is much below the organic growth we have been clocking in the last three years. The impact of the drought in Australia on our business was extremely high in the last quarter of the year.

I am very happy to inform you that we are now the largest Sorghum seed company in the world. The Sorghum market is a very interesting one in which we see some good opportunity for growth. We have decided to invest more in this crop and try to add more value to the market through both GM and non-GM traits. You will read more about this in the following pages.

As a company we continue to invest in research. Our investment in research during this year was at 12% including the Nutrisun expenditure. This is a major investment we are making in our future.

We signed two very important global exclusive licenses for GM traits during the year. The license signed with Arcadia Biosciences, USA is for Nitrogen Use Efficiency (NUE), Drought tolerance and Salt tolerance traits in Sorghum.

With Bioceres, Argentina we signed a license for the drought trait in Sorghum, Rice, Cotton and Mustard. Both these licenses are very important for the future as water will become more and more scarce in the world.

We had some prominent successes during this year. Some of them are:

- Our progress with corn in Thailand is very impressive during this year. We have very high quality products coming out of our breeding programme in Thailand. You will read more about this in the next few pages.
- Our progress with the integration of the front end with UPL in India has been satisfactory. We have completed one year with the integrated structure and we believe that the new structure will give us good results in the very near future. You will read about this in the next few pages.
- We have grown our sunflower business by more than 50% during this year. We made significant progress in Africa and South America. We have some very good products coming out of our Argentinian breeding programme.
- We opened new subsidiaries in Brazil and Indonesia, the two markets where we are expecting good growth in the future with corn.
- Our US business has shown an outstanding growth during this year. As you know we acquired this business in 2008 and it has given us excellent results in 2009.
- The first commercial sale of Nutrisun oil has happened during this year. This has been a great occasion for us to celebrate as this decade old project comes of age.
- We have developed some new areas of production in the world and they are helping us to reduce costs.
- The biotech center in Hyderabad started functioning.

However we faced more hurdles this year than opportunities as can be seen from the business results.

- The cost of goods were on the higher side due to high commodity prices.
- Acute drought in Australia and Argentina and drought followed by flood in India made it very difficult for us to recover the business losses in these countries.
- We had to write off a significant amount of seed due to reasons like low quality, phasing out of products, seed from some of the acquired businesses deteriorating in quality quickly, etc.
- The unfavourable exchange rates in some of the countries like Australia.

These factors have impacted our results negatively during this year.

Overall it has been a challenging year. But at the end of the year we feel confident that we have built a platform for growth in the near term as well as in the long term. The tide is turning and we are looking at 2010 with a lot of positive energy and expectations.

We look forward to receiving your continued support.

Sincerely,

V.R. Kaundinya
Managing Director & CEO

ADVANTA SORGHUM

Sorghum is the fifth most important cereal crop in the world, grown in about 20m ha of the temperate and semi-arid tropical areas of both developed and developing countries. Sorghum is widely recognised as a drought tolerant crop although the sorghum crop responds well to high levels of input (management, irrigation, fertilizer etc.). With increasing shortage of water in the world sorghum is expected to play a key role in the future. The current global sorghum seed market is estimated to be around 250 M USD.

Three types of sorghum crops are grown in the world: grain sorghum, forage sorghum and sweet sorghum. While forage and sweet sorghum have been traditionally used for feeding the animals, sweet sorghum is nowadays being used for bioethanol production. Grain sorghum is used in animal feed in most of the countries except in India and Africa where it is also used for human consumption. From 2011 onwards, sweet sorghum for bioenergy is expected to gain momentum and from 2014/15, technology to economically and reliably produce cellulosic bioethanol production is expected to be released and this will encourage further growth of sorghum.





Advanta Sorghum Business

Advanta is in the business of product development, seed production and marketing of elite grain, sweet, forage, and bioenergy sorghum for current and future global markets. Globally, Advanta has the most diverse sorghum breeding programme with three separate research units (Argentina, Australia, and USA) and has a concentrated effort to exchange germplasm to fully exploit the heterosis available. Advanta is the only company to have breeding and marketing programmes for sorghum in all of the major hybrid sorghum growing areas. Advanta also has the most advanced forage breeding programme and the new types of products that are emerging are readily catching the eye of customers globally.

The Advanta sorghum germplasm base is the most diverse. Until recently, the three main programmes have been working quite autonomously with little interchange of germplasm. All three programmes are highly successful in their own right with the products of the programmes attracting significant market share in 2009 in the countries represented (Australia >75%, Argentina >30%, NAFTA >20%). Now interchange of germplasm is occurring to exploit the heterosis available and newer and exotic sources of germplasm are also being sought and licensed. Advanta US also has current arrangements in place to allow exclusive licensing of select elite third party hybrids for utilization within US market.

Advanta has a very sound base to develop dominance in the global sorghum business and to also drive the sorghum industry towards a more competitive and attractive crop for farmers and consumers. Sorghum is in the fledgling stages of biotech research into trait transformation and if sorghum and Advanta is to take this crop to a higher plain, a concerted effort and resource to extend the research base is paramount.

In February 2010 Advanta acquired the assets of Crosbyton Seed Company, Crosbyton, Texas, USA. The CSC acquisition makes the second investment in US sorghum seed by Advanta following the 2008 acquisition of the business of Garrison & Townsend Seed Company ("GT") of Hereford, Texas. This move further increases Advanta's global sorghum business footprint. The new combination of Crosbyton, GT, Advanta's international sorghum seed businesses, and a number of important technology alliances creates a global platform that clearly establishes Advanta as a worldwide leader in the research, production and sales of sorghum.

Sorghum Industry Drivers

The major global drivers for sorghum include:

- Increased yield
- Higher global grain and biomass requirement
- Climate change and lack of consistent rainfall
- Alternative crops
- Rising input costs
- Ethanol and technology
- Competitive trait requirements – grain quality; forage feed quality; yield; nitrogen use efficiency (NUE); water use efficiency (WUE); salt tolerance; herbicide tolerance; insect resistance; cold tolerance and biomass enhancement.



Forage Sorghum

The forage sorghum business includes both sweet and forage sorghums and recently introduced BMR. The global market for hybrid forage sorghum seed is approximately 46,500 mt with a sales value of \$51M. Globally, there is an increasing awareness of increasing quality of nutrition of livestock as well as a conscious concern of rising costs. The Brown Midrib 6 (BMR 6) Trait in sorghum achieves this and research and grower testimonials will confirm that the nutritional value of BMR 6 sorghums is equal to or better than corn silage resulting in improved cattle weight gain and increased milk production. This is due to the stalk and leaves having lower lignin content resulting in much higher digestibility and increased palatability. The Advanta BMR 6 trait is available in: forage sorghums, Sudan grass, Sorghum-Sudan grass, brachytic dwarf, and photoperiod sensitive.

BioEnergy

The major involvement that sorghum has towards ethanol production is fermentation of grain sorghum and this is mainly in the US. In 2007, almost 13M mt of grain sorghum was produced and as more ethanol production facilities are brought on line, it has been estimated that over 6M mt of sorghum will be required for ethanol production. There is a lot of development towards the use of sweet sorghum, bmr and forage sorghum for biomass for cellulosic ethanol production. The current estimate for commercial cellulosic ethanol production is still five years away and there are a number of companies working towards this goal.

For Advanta, the development of the bioenergy business is aimed at developing new business. The long term view is not to depend entirely on seed sales but to exploit the benefits from our own breeding programme as well as introductions and technology developments from other research projects. Advanta has research and development projects in many countries to develop sorghum as a complimentary feedstock source for bioenergy production.

Technology

There are no transgenic sorghum hybrids on the market at present but transformation systems are currently being developed so that agronomic traits such as water use efficiency (WUE), nitrogen use efficiency (NUE), salt tolerance, yield enhancement (both biomass and grain production), in planta cellulase to assist with bioenergy conversion efficiency, increased protein and stem sugars, and herbicide tolerance can be achieved in future hybrids. Other non- transgenic traits that are currently being developed include ALS and ACCase herbicide tolerance, cold tolerance, insect resistance and animal and human nutritional enhancements. Advanta has research projects and associations in all of these areas.

Conclusion

Advanta plays the most significant role globally in the development of sorghum. Yield is the most important factor in the development and competitive placement of this crop and Advanta research and product development is actively working on the many factors that make up yield. Along with yield comes quality – both in terms of the seed supplied to the customer and the value of the product that the seed grows into. Advanta is continuing to enhance its products and developing improved traits to enhance the value to the farmer.



SUCCESS STORY OF PACIFIC SEEDS FIELD CORN IN THAI MARKET IN 2009:

Development of PAC 313, PAC 339 and PAC 999 Super:
A set of winning hybrids for successful Advanta field corn business in Thailand

Background:

Launch of outstanding hybrid is one of key objectives to gain shares along with effective marketing tools. Pacific Seeds Thailand was working hard to improve shares in past 10 years from launching only average quality products. Breeding team has put a lot of efforts to develop elite germplasm which is distinct to common material grown in Thailand. This is a way to diversify our products character to other public and competitors for better recognition. High yield and good stability with traits of super high shelling percentage and uniform cylinder ears are identity of Pacific Seeds field corn hybrids being known in market places recently. Set of superior hybrids have been chosen and tested in wide areas representing key corn regions and coverage of different climatic and adverse weather conditions. Testing efforts have been done to generate reliable data for decision making. This is to ensure that once selected hybrids have launched with results are at expectation of which trials data being indicated.

Market Orientation:

Competition of field corn in Thailand is very high and market size has reached saturated level (18,000 to 20,000 tons). Key players like Monsanto, CP, Syngenta and Pioneer have established research programs and reached maturing stage after 30 years of inception. Our market share in 2009 is climbing up at around 15 %. Pacific Seeds Thailand is targeted to improve market shares through the launch of competitive hybrids being developed in the current research pipeline. The successful application of dihaploid technology have made Pacific Seeds Thailand standing in good position to grow field corn market shares through winning hybrids being developed and to launch in full scale in 2010 onwards.

Product Development:

It's decided to choose hybrids from testing system and fast tract superior hybrids for testing in advanced and pre-commercial levels in 2007 continued to 2008 and 2009 in order to speed up the release superior hybrid in to commercial pipeline (PAC 999 and PAC 224 as key commercial hybrids). The concept of testing at pre - commercial level is to simulate the testing condition as similar to actual field condition where farmers planted corn crop. This means result will be no surprise of deficit in performance to be shown when hybrids grown in commercial level.

PAC 313 has chosen from normal testing system while PAC 339 and PAC 999 Super have selected from fast tract purposes to speed up the release process of superior hybrids.

Strip trials (non- rep) have been conducted in very uniform plots and representing key regions in 2009. All data generated from planting conditions where farmer have applied. In house trial result is confirmed by feedback from free seed program and also confirmed with performance in public trial data.

PAC 313 is top yielded in 2009 cooperative trial tested in 10 locations being organized by Kasetsart University. PAC 313 and PAC 339 are top yielded in standard trial conducted by Department of Agriculture (DA) combined from 4 DA research stations. PAC 999 Super is top yielded in trial conducted in Chiangmai by Chaingmai University.

Along with trial data being generated, result of market survey from group of 460 farmers who had grown Pacific Seeds field corn hybrids which representing 7 key field corn provinces across country indicated how superior of PAC 313, PAC 339 and PAC 999 Super. This is to confirm the superiority of our hybrids to competitors in all trials tested in 2009.

The key success of product development is to speed up testing process in identifying superior products in short term to launching outstanding hybrids on time under pressure of high competition condition.

It's a breeder's competence to fast track real superior hybrids for commercial purposes with high chance of success. This is to balance the hybrids in testing list from standard testing and fast track systems to be screened in final stage for commercial purposes.

The trials result in 2009 have shown the success of the above concept. PAC 339 and PAC 999 Super have created very high perception in industry being followed by competitors who try to access hybrids for breeding material. The performance in model farm and give away program have proved the outstanding of both hybrids as same as trial results.

Key Team members:

1. Mr. Montree Kongdang - Research & Development Manager/Global Corn breeder
2. Mr. Worrachak Wongpila - Corn Breeder
3. Mr. Suradech Fungsuk - Product Development Head
4. Mr. Sayan Ramun Udom - Senior Product Development
5. Mr. Keng Sangkaew - Senior Product Development
6. Mr. Varakorn Thepkaew - Product Development



OUR PEOPLE, OUR STRENGTH

We being one of the leading edge seed companies striving to achieve full customer satisfaction by working through our people. Our fundamental goal is to create a company with latest technology by preserving the traditional values built over 100 years that is excellent in every sense and better than the competition. We have committed people with proven experience working to achieve the company's Vision - 'Driving Sustained Growth through World-Class Plant Genetics & Innovative Technology. Company provides challenging work environment to innovate and achieve success to provide productive crop solutions to improve the profitability of farmers.

Organization culture is Entrepreneurial with enough flexibility & freedom to operate. People are encouraged to take up newer challenges with opportunity for independent decision making and managing risks. Structures in the organization are informal, less bureaucratic and facilitate quicker decisions. People are encouraged to learn and try new things thereby providing enough opportunities for career growth across functions & geographies through personal development. Challenging atmosphere offers competitive compensation & benefits, performance based rewards that foster higher sense of ownership and retention.

Ultimately it is the people who are responsible for making the Advanta vision a reality. Advanta today is an Indian Multinational with global presence faced with ever increasing competition and environmental changes. Leadership has the challenge to focus on continuously improving the operational efficiencies to get the competitive advantage. Team members help the leadership by team work and installing & improving reliable processes and methods in operations. While the leadership strategize on the steps to meet current and future challenges managers lead teams in developing and improving critical operations and business processes.

Our people have the drive & motivation to do extraordinary things working together in the pursuit of the company's vision & strategy by strongly valuing team

work. Organization culture facilitates everyone to make bigger, faster contribution by continuously improving the work processes and achieve success through means that are sensitive to and respectful of, people and their capacity to learn & change. Processes are developed in ways that value respect to the team members, customer and the society.

Advanta is proud to have trained and committed team laying greater importance on all round development of its members to attain a sustainable and unique culture. The company believes in the philosophy that quality is not incidental but a continuous journey and a way of life. It has embarked on the journey towards continuous improvement in all spheres of activity from R & D to marketing to deliver the best quality products to the customer by adopting a total assurance concept and willing to be a learning organization.

A positive bent of mind exists with Advanta members. Teams are committed to create an environment of trust and mutual understanding. The company empowers the individuals for every work for which they are accountable. Team involvement in decision making, sharing knowledge and experience, transparency and openness in the transaction are ways of life at Advanta, last but not the

least respect for the individual lies truly with each of us.

We always focus on work life balance by providing the team members flexibility to address personal commitments,

without compromising the needs of the business, which makes the difference between a good working environment and a great one. This has enabled the company to retain people for longer tenures and will find many people serving the organization for decades in spite of changes in the control /ownership.

Globally the company has been able to attract talent into the organization be it from the universities, business schools or the large corporations in the seed industry. This is possible only because of the work environment and strong advocacy from within. There being significant gap in what our education system prepares, people do, what we as organization and ultimately customers expect, Advanta has talent development initiatives like





management trainee programs for freshers and learning & development initiatives for the existing people. Advanta aims to be an employer of choice! People get opportunities to work on live projects which are multifunctional, multicultural and global. Crop teams which developed successful business strategies recently is a good example.

Another recent example has been the success of the integrated business model adopted in India with synergies

themselves for leadership positions. In many instances people are given an opportunity to manage crises & other challenging situations locally as well as globally to get exposure.

Emotional connection and the feelings of team members towards the organization have influenced to contribute on the job effectively. Significant time and effort is focused in understanding the members better, their needs, expectations, frustrations which has resulted in better engagement contributing to create sustainable competitive advantage. Mentally stimulating nature of work, support by the organization, managers, peers & team members, value driven, recognition, have resulted in better engagement, performance, loyalty & advocacy. Investment in recruitment, people development, career growth and technology which supports performance, rewards & recognition has helped to drive engagement. Focus on culture, vision & values, effective communication, reinforcement of people focused policies, meaningful metrics for performance measurements leads to high levels of trust, provide satisfaction, success & believe it or not fun. High level of engagement has contributed to the performance of the people and the organization in the areas of retention, turnover, productivity, customer service and loyalty to achieve business success.

The learning environment with attributes to stimulate



between agrochemical, field crop and vegetable seed businesses to deliver the complete crop solutions to the customer with a better reach. It was evident that the values which Advanta has instilled in every member of the team was the connect between the members to deliver the project outcome. Advanta being in the growth phase people get enough opportunity to work on developmental assignments to build the talent pool within the organization. We have many examples within the organization in this area. Succession planning initiative in the company has provided opportunities to consistent performers to take up higher challenges to prepare

curiosity in people, facilitate learning in assignments, promoting leaders who act as facilitators of learning, bridging gap between current skills of individual and skills required for assignments is contributing to the business growth the company has been achieving in the last three consecutive years. Immediate challenge would be to design an infrastructure which would support transfer of learning, aligning learning initiatives to organization strategy, business needs and integrating it with other processes like workforce planning, performance management, competency development, leadership development, succession planning, career management and total rewards.

INTEGRATED BUSINESS: INDIA 2009

"Project Punch" 2008 finally culminated into 'Integrated Business-India' platform after merger of United Phosphorus Ltd. (UPL) - Agro Formulation, Advanta India – Field Crops, Golden & Unicorn Seeds – Vegetable Seeds

This is a unique achievement where our team repositioned Agchem & Seed Businesses for emerging Agriculture landscape to leverage on our mutual strength.

New and innovative business model started working under unified leadership team from 1st Jan 2009.

Following key initiatives were taken to make new model deliver desirable results:-

Organizational Design

Following 3 key objectives were kept in mind while preparing organization designs:-

1. To offer Complete Crop Solutions to farmer under one umbrella
2. To capture Synergy through increased Productivity of people and leverage Channel Capabilities resulting in increased market share and revenue
3. To optimize Operating cost.

The challenge was to make team focused on end customer "FARMER"

UPL – AF strength of Channel Management and Advanta – Golden & Unicorn strength of Customer Proximity has to be meaningfully aligned to gain maximum synergy. In order to achieve this balance, we decided to create following core teams for all zones and Head office

a) Zonal Marketing Management – 21

One ZMM for each domain to make sure domain expertise is available for zonal sales team & focus is maintained on given domain.

b) Strategic Marketing Group (SMG) at Head Office

SMG constitutes team of General Managers responsible for each domain and is leading a team of Crop / Product Managers who are responsible to craft the Crop Strategy in consultation with R&D, PD, Zonal Sales & Marketing teams.

SMG is charged with responsibility to develop mid-term business plan, develop pipeline of products, technology tie-ups, branding, synergy etc.

c) Product Development Teams

At present we have 3 teams of Product Development – One each for AF, FC, VC who are working relentlessly to develop new products, development of complete crop solutions, training of sales force, liaising with State Agricultural Universities to make sure that right product are launched in right markets in most scientific way.

d) Customer Service Executives

With integration we have now more than 4500+ active distributors. It is important that they are serviced very well and we continue to enjoy their high satisfaction with our services. A team of 14 customer service executive was created right at Zonal offices having proximity to markets.

Training & Development

Pre-Integration period, each team member was responsible and focused on making of given products – Agro Chemicals or Field Crops or Vegetable Crops.

Focus was "Product".

New Integrated Business philosophy required team to focus on end customer "farmers".

This is the biggest paradigm shift and needed massive HR interaction in the form of intensive training program on:-

- Crop packages
- Product features of cross domains
- Skill set development
- Team working (HBDI)

To achieve this goal a mix of internal and external experts were deployed throughout the year.

Our "Model Demonstration Plots" An initiative where all crop / packages were demonstrated at 52 locations throughout the year became a reality of "school of learning" for our teams, farmers and trade partners.

Use of IT Solution "Business-ware Intelligence warehouse" "Information" and "activity load" tripled at every level. Availability of timely online, accurate information was the need of an hour. Our ever-ready competent SAP / IT team came to our rescue with BW tool. They helped us deploy BW software on more than 65 Marketing Managers laptops and trained them on the spot. We established a help-line to do hand holding for initial period.

Through this initiative we could empower our key Marketing Managers who can view online performers at each Customer / Crops / Products / Sales Team etc.

Results Delivered

2009 experienced one of the worst monsoons in last 30 years. Rainfall deficit led to reduced area under different Kharif crops. Under such trying circumstances while integrating team could deliver following results:-

(HBDI Training Program, Mumbai)





('Unimart' opening at Manchar, Pune)

I. Sales

	Annual Budget Ach %	GR %
AF	111	11
FC	72	(18)
VC	90	11
Total	98	6

II. Head Count Harmonisation

The overall Head Count among the 3 businesses (AF, FC and VC) was harmonised and restructured to achieve the best market coverage results and enhancement of productivity.

III. Advertising & Promotional expenses synergy – Advertising & Promotional expenses were down by 2%. The integrated working resulted into better utilization of manpower round the year.

IV. Cross Selling

UPL – AF business significantly grew in vegetable markets due to strong base of seed companies. Similarly seed companies benefitted from well entrenched UPL – AF channel network in wide areas.

Challenges:-

During the exciting journey everything was not going as per plan. We encountered many challenges like initial apprehensions of trade partners in our ability to manage seamless supplies on SAP platform. This we tried to address through multiple communication campaigns, meetings etc. Cultural issues were another area – we had to manage with due sensitivity. Past habits, behavior, business languages used many a times lead to serious crisis and / or hilarious moments.

We felt a strong need to develop a unique set of vision, mission and values for this new IB – India team. This would help move our team away from the past and anchored into a 'FUTURE' we want to create.

Given below is a brief outline of our Integrated Business India's Vision, Mission and Values

Vision

To help farmers significantly to improve his living standard through massive improvement in income per acre of crop products.

Mission

To double our revenue and profitability through integrated products and services in the next 3 years time.

Values

- Team work
- Result oriented work culture
- Learning Attitude
- Customer Centricity

We consider 2009 as the year of "Technical Integration" where teams have gone through a slew of changes in environment, policies, processes, cultures etc. It was a year of fast paced developments – there were some team mates who could not cope with the fast paced dynamic environment despite helping hand from team leaders and decided to part ways.

Remaining team members are eagerly waiting to deliver impressive results in coming years with lots of excitement and energy to prove that here is a team which will define the landscape of Indian Agril Input Industry by becoming the pioneer in the creation of innovative New Age Business model.

There is a proverb which says –

"You can't do Tomorrow's business with Yesterday's business model"

Integrated Business – India team has taken a lead to create a new business model to get the future ready to handle bio-technologically impacted Indian Agriculture to create maximum benefit for farmers and take care of interest of our stakeholder's value.

At this juncture, we wish to thank all our customers, employers and facilitating cross functional teams for constant encouragement and hard work during the year of "Great Transition"

We look forward to year the 2010 with lots of hope and enthusiasm to deliver much better results.

('Coral Masters Meet' at Behror, Rajasthan)



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16TH ANNUAL GENERAL MEETING

Date : Thursday 29th April, 2010

Time : 11.30 a.m.

Place: Quoram Hall, Hotel Minerva Grand,
Sarojini Devi Road, Secunderabad 500 003,
Andhra Pradesh, India

BOOK CLOSURE

Monday, 19th April, 2010

to

Thursday, 29th April, 2010
(both days inclusive).

BOARD OF DIRECTORS

- | | |
|-------------------------|--------------------------|
| 1. Mr. Jaidev R. Shroff | - Chairman |
| 2. Mr. V. R. Kaundinya | - Managing Director |
| 3. Mr. Vikram R. Shroff | - Non-Executive Director |
| 4. Mr. Hardeep Singh | - Independent Director |
| 5. Dr. Vasant P. Gandhi | - Independent Director |
| 6. Mr. Vinod Sethi | - Independent Director |

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. H. K. Agarwal

AUDITORS

SR Batliboi & Associates
Chartered Accountants
Mumbai.

BANKERS

- 1) Syndicate Bank Ltd.
- 2) Axis Bank Ltd.
- 3) Yes Bank Ltd.
- 4) HSBC Bank Ltd.
- 5) ICICI Bank Ltd.
- 6) HDFC Bank Ltd.
- 7) ING Vysya Bank Ltd.

REGISTERED OFFICE

104-105, 1st Floor, Bhuvana Towers
Sarojini Devi Road
Secunderabad-500 003
Andhra Pradesh, India

CORPORATE OFFICE

“Unicorn House”, Plot No. 3-5, # 157/5
Balaji Enclave, Transport Road, Near Gunrock
Diamond Point, Secunderabad - 500 009
Andhra Pradesh, India

PLANTS

1. B Camp Post, Krishna Nagar, Kurnool, Andhra Pradesh
2. Kalakkal Village, Toopran Mandal, Medak Dist., Andhra Pradesh
3. Bharati Brahma Seeds, Nutankal Village, Medchal, Ranga Reddy District, Andhra Pradesh

SHARE TRANSFER AGENTS

SHAREPRO SERVICES (INDIA) PVT. LTD.
Samhita Complex, Gala No. 52 to 56,
Building No. 13 A-B, Near Sakinaka Telephone Exchange,
Andheri-Kurla Road, Sakinaka, Mumbai - 400 072. India

DIRECTORS’ REPORT

To,
THE MEMBERS OF
ADVANTA INDIA LIMITED.

We are pleased to present the 16th Annual Report on the business and operations of your Company together with the audited financial statements and the Auditor’s Report of your Company for the financial year ended 31st December, 2009.

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

Description	Consolidated (Rs. In Lacs)		Stand-Alone (Rs. In Lacs)	
	Current Year	Previous Year	Current Year	Previous Year
Sales Including other Income	69,834.04	62,336.08	11,008.25	16,230.68
Profit / (Loss) Before interest, Depreciation & Tax	10,344.05	11,931.73	(1,019.54)	4,097.81
Less: Interest & Financial Charges	6,203.26	4,254.45	2,408.38	2,167.90
Less: Depreciation	2,174.18	1,875.95	886.12	870.39
Profit / (Loss) before Tax and Exceptional Items	1,966.61	5,801.33	(4,314.05)	1,059.52
Profit / (Loss) Before Tax (PBT)	1,966.61	5,801.33	(4,314.05)	1,059.52
Profit / (Loss) After Tax (PAT)	2,822.68	5,234.20	(4,128.86)	984.96
Profit / (Loss) After Tax (Net of Minority Interest & prior period adjustment)	2,705.03	5,049.75	(4,143.00)	856.94
Add: Balance brought forward from previous Year	13,891.51	9,163.77	4,535.60	4,000.67
Surplus Available for Appropriations	16,596.54	14,213.52	392.61	4,857.61
Appropriations				
Proposed Final Dividend	168.42	168.39	168.42	168.39
Tax on Dividend	28.62	28.62	28.62	28.62
Transfer to General Reserve	00.00	125.00	00.00	125.00
Balance Transferred to Balance Sheet	16,399.50	13,891.51	195.57	4,535.60
TOTAL	16,596.54	14,213.52	392.61	4,857.61

Conversion rates as on 31st December, 2009:

For Balance Sheet items (Closing Rate)	For Profit & Loss Account (Average Rate)
1USD = Rs. 46.535	Rs. 47.628
1AUD = Rs. 41.884	Rs. 37.739
1EURO = Rs. 67.076	Rs. 67.626
1THB = Rs. 1.397	Rs. 1.401
1IDR = Rs. 0.0049	Rs. 0.00461
1BRL = Rs. 26.7396	Rs. 23.9429

RESULTS OF OPERATIONS & FUTURE OUTLOOK

During the year, the Company has recorded a consolidated total income of Rs. 69,834.04 Lacs as against Rs. 62,336.08 for the previous year, which is 12.03% higher than the previous year. The consolidated profit after tax stood at Rs. 2,822.68 Lacs as against Rs. 5,234.20 Lacs, which is lower by 46.07%. The decline in profits is attributable mainly due to higher cost of goods manufactured and interest cost. In spite of the fact that we had faced worst drought conditions in some part of

Southern hemisphere followed by the similar situation in India, which was even worst as the drought was followed by floods, your Company could achieve a marginal growth on top line. However, due to high cost of goods and finance charges, the consolidated profit is lower.

As stipulated in the Listing Agreement with the Stock Exchanges, the consolidated financial statements have been prepared by the Company in accordance with the relevant accounting standards issued by the Central Government under Companies (Accounting Standards) Rules, 2006. The audited consolidated financial statements together with Auditors' Report thereon form part of the Annual Report.

FUTURE OUTLOOK

The year 2009 is a difficult year for many reasons. We had the worst drought in some parts in Southern hemisphere. The situation was no better in India and, in fact, it was even worse as the drought was followed by floods. The climate change has increased the unpredictability of the weather patterns. Planting of crops was seriously impacted in many parts of the world. As a company, we have had a tough year. The business development has been below our expectations mainly because of the drought situation in many parts of the world. On the positive side the weather, the plantings and our business in general were on expected lines in certain parts of Asia, Africa and North America. In general, the farmer is happy because of good prices of agricultural commodities.

We are approaching 2010 with a positive frame of mind. Rains are received in southern hemisphere and agricultural situation is expected to improve. Our efforts to expand our activities into new countries and into new areas of research will continue in 2010. The Company will continue its aggressive pursuit of growth. The crops that we are in, present us with many opportunities, and we would like to be positioned to exploit them.

DIVIDEND

Your Directors recommend a payment of final Dividend of 10% i.e. Rs.1/- per Equity Share of Rs. 10/- each of the Company out of the accumulated profits of the Company for the financial year ended on 31st December, 2009 to the members at the ensuing Annual General Meeting. The dividend, if declared would result in cash outflow of Rs. 1,68,41,638/- (Rupees One Crore Sixty Eight Lacs Forty One Thousand Six hundred and Thirty Eight only) and tax on Dividend of Rs. 28,62,237/- (Rupees Twenty Eight Lacs Sixty Two Thousand Two Hundred and Thirty Seven only).

Due to absence of profits during the year under review, your Directors are not proposing to transfer any amount to General Reserve.

SUBSIDIARY COMPANIES' ACCOUNTS

Ministry of Corporate Affairs vide letter **No. 47/86/2010-CL-III**, dated **4th February, 2010** has exempted the Company from attaching the Profit & Loss Account, Balance Sheet, Directors' Report and Auditor's Report and other reports of its subsidiaries as required under Section 211 (1) of the Companies Act, 1956. However, the Company has attached the consolidated financial statements duly audited by the auditors for the year ended 31st December, 2009. The Audited consolidated financial statements of your Company form part of the Report as per Accounting Standard – 21. Abridged Financial Information of Subsidiaries also given on page no. 102 in Annual Report.

Annual accounts of subsidiary Company and the related detailed information are available for inspection at the Company's Registered Office. The same will be made available to the investors of the Company upon request.

CASH FLOW ANALYSIS

The Cash Flow Statement for the year under reference in terms of Clause 32 of the Listing Agreement entered by the Company with the Stock Exchanges is annexed hereto.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the 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, your Directors present the Audited Consolidated Financial Statements in the Annual Report.

ACQUISITIONS

(i) Acquisition of 100% Assets and Business of Crosbyton Seed Company (“CSC”) Crosbyton, Texas, USA

During the current year 2010, your Company “Advanta India Limited”, through its subsidiary, Advanta US Inc., has acquired 100% of the Assets and Business of Crosbyton Seed Company (“CSC”) Crosbyton, Texas, USA”. Headquartered in Crosbyton, Texas, CSC is a leading breeder, producer and conditioner of hybrid sorghum planting seed products including grain sorghum, forage sorghum, millet and also sunflower.

Sorghum is the fifth most important cereal grain crop grown in the world behind corn, wheat, rice, and barley. Produced on approximately 100 million acres in 100 different countries around the world, various sorghum types are used for animal feed, food for human consumption, biofuels, and a number of minor uses including sorghum syrup, low-gluten-flour and more.

The CSC acquisition makes the second investment in US sorghum seed by Advanta following the 2008 acquisition of the business of Garrison & Townsend Seed Company (“GT”) of Hereford, Texas. This move further increases Advanta’s global sorghum business footprint, which also includes current operations in Australia, Argentina, India and Thailand.

Crosbyton Seed Company has an exceptionally strong grain sorghum business and their customer relationships are first class. The new combination of Crosbyton, GT, our international sorghum seed businesses, and a number of important technology alliances creates a global platform that clearly establishes Advanta as a worldwide leader in the research, production and sales of sorghum.

MODERNISATION / EXPANSION PROJECTS

During the year we have implemented SAP in the Indian operations. The implementation has been successful and we have started reaping the benefits. The vegetables business continues to be on a non-SAP platform and we plan to bridge this gap in 2010.

During the year we have installed vacuum packing facilities for corn in our Thailand factory. This is a major step towards providing high quality seed to the farmers.

A new biotech lab was opened by us in Hyderabad, India during this year. This capacity, in addition to what we already have in Balcarce, Argentina, will be very helpful in handling the increasing load of biotech work in the company.

Company has incorporated two subsidiaries during the year 2009 at Indonesia and Brazil to expand their business locally in those countries and explore possibility of export.

RESEARCH & DEVELOPMENT

During the year the company signed two major global exclusive licenses for acquiring GM traits. The first was a license for Nitrogen Use Efficiency (NUE), Drought tolerance and Salt tolerance traits in Sorghum from Arcadia Biosciences, USA. The second was a license for drought tolerance trait in rice, cotton, mustard and sorghum from Bioceres, Argentina. Our investment in the Nutrisun project continued during this year. The Nutrisun oil was commercialized for the first time during this year.

We expanded our sunflower breeding by starting a new breeding station in France during this year. This is a major step towards developing products suitable to Europe and nearby geographies.

We have expanded our product testing and product registration activities to many new geographies in an effort to broaden our geographic base.

The Company has incurred revenue expenditure of Rs.5013 lacs (LY: Rs. 4234 lacs; LLY: Rs. 3,330 lacs) during the year in addition to capital expenditure. As per accounting policy followed by the company, the research and development expenditure of the company is charged to revenue in the same year in which it is incurred.

In addition, during the year the company spent Rs.1045 lacs on Longreach and Rs.1419 lacs on Nutrisun business.

CAPITAL STRUCTURE

The Company has implemented the Advanta India Limited Employees Stock Option and Shares Plan 2006(“Plan”), for its employees, so as to reward and motivate its employees for high level performance of the Company. During the year the

company has issued and allotted 4,979 Equity Shares of Rs. 10/- each against the exercise of options. The paid-up-capital of the Company as on date is Rs. 1,68,41,638/- (Rupees One Crore Sixty eight lacs forty one thousand six hundred and thirty eight only). The particulars of shares issued during the year are as follows:

Date of Allotment	Name of the Allottees	No. of Shares	Date of Listing	
			BSE	NSE
27-01-2009	Suresh Kumar Gupta	862	06-02-2009	06-02-2009
	Manoj Kumar Gupta	1297	06-02-2009	06-02-2009
05-10-2009	Narasimhan Malapaka	907	10-11-2009	12-11-2009
30-10-2009	Satyadev Vaddadi	907	08-01-2010	06-01-2010
30-11-2009	N. Maruthi Prasanna	503	08-01-2010	06-01-2010
	Suresh Atluri	503	08-01-2010	06-01-2010
	Total	4979		

SUBSIDIARY COMPANIES:

As on the date of the Balance Sheet, Your Company has the following Subsidiary Companies:

1. Advanta Holdings B.V., Netherlands
2. Advanta Netherlands Holdings B.V., Netherlands
3. Advanta Semillas SAIC, Argentina
4. Advanta Finance B.V., Netherlands
5. Advanta International B.V., Netherlands
6. Pacific Seeds Pty. Limited, Australia
7. Pacific Seeds Holding (Thailand) Limited, Thailand
8. Pacific Seeds (Thai) Limited, Thailand
9. Longreach Plant Breeders Management Pty. Ltd., Australia
10. Advanta Seeds Limited, India
11. Unicorn Seeds Private Limited, India.
12. Advanta US Inc, U.S.A.
13. Advanta Seed International , Mauritius
14. Advanta Comercio De Sementes LTDA, Brazil
15. PT Advanta Seeds Indonesia, Indonesia.

During the year the Company has floated through its subsidiaries, two Companies in abroad namely M/s. Advanta Comercio De Sementes LTDA, Brazil and PT Advanta Seeds Indonesia, Indonesia.

AUDITORS AND AUDITORS REPORT

M/s. SR Batliboi and Associates, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. They have expressed their willingness to continue and their appointment, if made will be within the limits prescribed under Section 224 of the Companies Act, 1956. Board of Directors recommends their appointment.

Auditors of the Company vide Clause 6 in their Audit report on Consolidated Financial Statements have qualified the recognition of deferred tax assets with respect to our subsidiary Pacific Seeds Holding (Thai) Ltd., Longreach Plant Breeders Management Pty. Ltd., Advanta US INC, Advanta Semillas SAIC, Argentina, PT Advanta Seeds Indonesia, Advanta Comercio De Sementas LTDA, Brazil, Pacific Seeds Pty. Ltd., Australia, stating that there is no sufficient virtual certainty to indicate that these companies will have sufficient taxable profits against which the unused tax losses can be utilized. In this regard, your attention is requested to schedule 21, clause 11 on “recognition of deferred taxes” containing management’s opinion that the said unused losses can be utilized.

Auditors of the Company vide Clause 7 of their Audit report on Consolidated Financial Statements have qualified their report about “segment reporting.” Your attention is invited to Note No.16 of Schedule 21, wherein the management explained its view that providing the said information would be prejudicial to the interest of the Company

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Jaidev Rajnikant Shroff, Chairman and Mr. Vikram Rajnikant Shroff, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Board of Directors recommends their re-appointment.

REGISTERED OFFICE

During the year under review the registered office of the company has been shifted from the state of Karnataka to the state of Andhra Pradesh vide an order dated 24th April, 2009 from company Law Board, Chennai Branch. Your Directors also approved shifting of the registered office to 104-105, 1st Floor, Bhuvana Towers, Sarojini Devi Road, Secunderabad - 500 003, Andhra Pradesh, India in its Board Meeting held on 30.04.2009 with effect from the same date, i.e. 30.04.2009.

PUBLIC DEPOSITS:

The Company has not accepted any deposits from public within the meaning of Section 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposit) Rules, 1975, during the year under review.

EMPLOYEES STOCK OPTION PLAN (ESOP)

The Company has implemented an Advanta India Limited Employees Stock Option and Shares Plan - 2006 (ESOPs) for certain employees as approved by the Shareholders on 20th September, 2006. In accordance with the scheme, the Company reserved 1,68,000 Equity Shares to the employees of the Company and its subsidiaries on one to one basis at an exercise price of Rs. 285/- 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 options granted is conditional upon the employee's tenor and upon the Company meeting annual performance benchmarks based on parameters set by the Remuneration Committee.

As the intrinsic value (difference between Market price and Excise price) on the date of the grant was nil, no compensation cost has been recognized in the financial statements.

Disclosures as required under Clause 12 & 19 of the SEBI (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999 are given as under:

Particulars	As at 31 st December, 2009
Granted during the year	4028
Pricing Formula	Black Scholes Formula
Vested during the year	35,715
Exercised during the year	4,979
Lapsed (Forfeited) during the year	11,289
Expired during the year	503
Outstanding unvested at the end of the year	78,812
Exercisable vested options at the end of the year	58,284
Total number of options in force	1,37,096
Total No. of Shares arising as a result of exercise of option	7,138
Variation of Terms of options	Nil
Money Realised by Exercise of options during the year	Rs.14,19,015/-

Total Number of Options in force	
Employee wise details of options granted to : (a) Senior managerial personnel - Mr. V.R. Kaundinya – Managing Director (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 (c) Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant.	5,460 Nil Nil
Diluted Earnings Per Share (EPS) pursuant to issue of Shares on exercise of options calculated in accordance with Accounting Standard 20.	(Rs. 24.37)
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. The impact of this difference on profit Basic EPS of the Company.	Rs. 30.53 Lacs Loss increased by Rs. 30. 53 Lacs (Rs. 24.60)
Weighted average exercise prices • Weighted average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Rs. 285/-
Description of the method and significant assumptions used in during the year to estimate the fair values of options, including the following weighted average information: a) Risk free interest rate b) Expected life c) Expected volatility d) Expected dividends and The price of the underlying share in market at the time of option grant.	7.50% Vesting period + 18 months 43% 1.40% Unlisted Company

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Clause 49 of the Listing Agreement, a report on the Management Discussion and Analysis is provided in a separate section in this report.

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

The Particulars as required under sub – section (1) (e) of section 217 of the Companies Act, 1956, read with the Companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988, are set out in the **Annexure “A”** included in this report.

PARTICULARS OF EMPLOYEES

The Particulars as required under Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended are given in a separate **Annexure “B”** attached hereto and form part of this Report.

GROUP FOR INTER SE TRANSFER OF SHARES

As required under Clause 3(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (“Regulations”) persons constituting “Group” (within the meaning as defined in the Monopolies

and Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from applicability of the Provisions of Regulation 10 to 12 of the aforesaid Regulations, are given in the **Annexure “C”** attached herewith and forms part of this Annual Report.

DIRECTORS’ RESPONSIBILITY STATEMENT

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

- i. That in the preparation of accounts for the period ended December 31, 2009, the applicable accounting standards have been followed and that no material departures have been made from the same.
- ii. That the selected accounting policies have been applied consistently and the judgments and estimates 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 loss 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 Directors had prepared annual accounts for the year ended 31st December, 2009 on a going concern basis.

CORPORATE GOVERNANCE

A per 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 the Company Secretary in practice confirming compliance is set out in the Annexure forming part of this report.

DEPOSITORY SYSTEM

99.99 % of the total paid up equity shares of the Company is in dematerialized form as on 31st December, 2009.

LISTING OF COMPANY’S EQUITY SHARES

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

ACKNOWLEDGEMENTS

Your Directors provide their gratitude to the various Government Agencies, Banks, thank the Company’s business associates/ customers, vendors and Bankers for their continued support.

Your Directors place on record their sincere appreciation of the contributions made by the employees of the Company and its subsidiaries at all level through their hard work, dedication, solidarity and support.

Last, but not the least, your Directors’ thank shareholders for the confidence reposed on the management of the Company.

For Advanta India Limited

Date: 25th February, 2010
Place: Mumbai

(V. R. Kaundinya)
Managing Director

(Vikram R. Shroff)
Director

ANNEXURE 'A' TO THE DIRECTORS' REPORT

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, 2009:

A. CONSERVATION OF ENERGY

1. Energy conservation measures taken:
The seeds Operations of the Company do not involve substantial energy consumption and hence no significant energy conservation measures were undertaken during the year. However, on an ongoing basis, identification of any energy saving possibilities is carried out.
2. Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:
Presently there are no additional investments / proposals being implemented for reduction of energy consumption.
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:
Not Applicable
4. Total Energy consumption and energy consumption per unit of production: Not Applicable
5. Efforts made in Technology absorption as per **Form B** (Rule 2)

B. TECHNOLOGY ABSORPTION

Research and Development (R & D)

1. **Specified areas in which R & D carried out by the Company:**
 - a) 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.
 - b) Development, testing and specification setting of packaging materials.
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.
3. **Future Plan of Action :**
To continue and extend research in the above areas.
4. **Expenditure on R & D** : **Rs. in Lacs**
(On stand-alone basis)

a) Capital	: 189.94 (PY: 95.55)
b) Recurring	: 992.32 (PY: 1,048.27)
c) Total	: 1,182.26 (PY: 1,143.82)
Total R&D Expenditure as a % of	
Gross Sales	: 11.50 (PY: 8.21)
Net Sales	: 11.55 (PY: 9.03)
5. **Technology absorption, adaptation and innovation**
 - (a) Efforts, in brief, made towards technology Absorption, adaptation and innovation:
Utilization of technical know-how towards development of high yielding proprietary hybrids suitable for Indian agro-ecological environment.

(b) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc:

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

(c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished:

- i) Details of technology imported : Technical know-how relating to seeds.
- ii) Year of Import : Technology upgradation takes place on a continuous basis during the year
- iii) Whether the technology has been Fully absorbed : Yes
- iv) Future plans of action : To continue ongoing research

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. (a) Activities relating to exports : Export of various Hybrid Seeds
- (b) Initiatives taken to increase : Started producing seeds for our other subsidiaries taking the advantage of the low cost of production in India.
- (c) Export plans : Company is having ambitious export plan of hybrid seeds in the year 2010 by exploring the possibilities of taking production of hybrid seeds in India on behalf of overseas Buyers.

2. Total Foreign Exchange used	Rs. in Lakhs	
(On stand-alone basis)		
Consumables	: 4.30	3.56
Capital Expenditure	: 124.25	13.10
Import of Seeds	: 644.55	820.55
Travel	: 17.41	81.03
Legal and Professional Charges	: 1.48	221.98
Other Expenses	: 36.51	20.23
Total	828.50	1160.45
Foreign Exchange Earned		
(On stand-alone basis)		
FOB Value of Exports	: 2,248.29	392.65
Dividend	: 484.65	498.49
Total	2,732.94	891.14

For Advanta India Limited

Date: 25th February, 2010
Place: Mumbai

(V. R. Kaundinya)
Managing Director

(Vikram R. Shroff)
Director

ANNEXURE ‘B’ TO THE DIRECTORS’ REPORT

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 and forming part of the Directors’ Report for the year ended December 31, 2009.

Sr. No.	Name	Designation & Nature of Employment	Gross Remuneration (Rs.)	DOJ *	Age	Experience in Years	Qualification	Previous Employment
1	V.R.Kaundinya	Managing Director	13,782,472	10-Jul-06	54	30	B.Sc. (Agri.), MBA (IIMA)	Monsanto Genetics India Pvt. Ltd.
2	Manoj Gupta	Group CFO	6,143,756	16-Nov-06	46	19	FCA, AICWA	Intergraph Consulting Pvt. Ltd.
3.	Dr. Surinder K. Tikoo	Global Research Head – Vegetable Seeds	4,112,241	30-Sep-08	62	39	PhD in Botany	Syngenta India Ltd.
4	A. Suresh	Business Head – Vegetable Seeds	3,615,915	8-Feb-07	50	20	M.Sc. (Agri.), PDGM	J K Agri – Genetics Ltd.
5	P. M. Nanjappa	Sr. Vice President – HR	3,338,345	1-Aug-01	55	32	B.Sc. (BZC), PGD in Social Work, LLB	Glaxo SmithKline Pharma-ceuticals India Ltd.
6.	Anuj Kasliwal	Vice President Finance	2,900,507	20-Nov-07	43	18	B.Com, CA	Bayer Corp Science Ltd.
7.	Dr. A. R. Sadananda	Global Crop Research Lead – Rice & Cotton	2,817,240	20-Oct-07	57	30	Ph.D. in Genetics	Mahyco – Monsanto Biotech India Ltd.
8.	Sateesh Hegde	Global Crop Lead – Rice & Cotton, RBM	2,732,200	1-Sep-06	52	30	B.Sc. (Agri.)	United Phosphorus Limited

*** DOJ – Date of Joining**

1. Gross remuneration shown above is subject to tax and comprises salary, allowances, commission, incentives, monetary value of perquisites, company’s contribution to Provident Fund and Superannuation Fund.
2. In addition to the above, employees are also entitled to gratuity, medical benefits, ESOPs, etc in accordance with the Company rules.
3. All the employees have adequate knowledge and experience to discharge the responsibility assigned to them.

For Advanta India Limited

Date: 25th February, 2010
Place: Mumbai

(V. R. Kaundinya)
Managing Director
(Vikram R. Shroff)
Director

ANNEXURE ‘C’ FORMING PART OF THE DIRECTORS’ REPORT

Annexure forming part of the Directors’ Report
“Group” for inter se transfer of shares under Regulation 3(1)(e) of the Securities & Exchange Board of India
(Substantial Acquisition of Shares and Takeovers) Regulations, 1997 shall include

	PROMOTER DIRECTORS:	10	Daman Ganga Pulp & Papers Pvt. Ltd.
1	Rajnikant Devidas Shroff and Family	11	Demuric Holdings Pvt. Ltd.
2	Sandra R. Shroff and Family	12	Entrust Environment Ltd.
3	Jaidev R. Shroff and Family	13	Enviro Technology Limited
4	Vikram R. Shroff and Family	14	Esthetic Finvest Pvt. Ltd.
	RELATIVES OF PROMOTER DIRECTORS:	15	Force Aviation Pvt. Ltd.
1	Poonam J. Shroff and Family	16	Gharpure Engineering & Constructions P. Ltd.
2	Namrata V. Shroff and Family	17	Heline Environment Pvt. Ltd.
3	Varun J Shroff and Family	18	Isar Builders & Developers Pvt. Ltd.
4	Tania J Shroff and Family	19	Kerala Enviro Infrastructure Ltd.
5	Rudritara J. Shroff and Family	20	Khagay Environment Pvt. Ltd.
6	Mekhala V. Shroff and Family	21	Khaline Environment Pvt. Ltd.
7	Ranjit V. Shroff and Family	22	Latur Water Supply Management Co. Ltd.
8	Shilpa R Shroff and Family	23	Mrugal Properties Ltd.
9	Pradip Sagar and Family	24	Nerka Chemicals Pvt. Ltd.
10	Jyotsna Bhatt and Family	25	Nivi Trading Ltd.
11	Jyotindra Bhatt and Family	26	Praskand Environment Pvt. Ltd.
12	Shaila S Shroff and Family	27	R. Shroff Consultants Pvt. Ltd.
	TRUST:	28	Sanguine Holdings Pvt. Ltd.
1	Jai Trust	29	Search Enviro Ltd.
	PARTNERSHIP FIRMS:	30	Seiko Properties Pvt. Ltd.
1	Akruti Products	31	Sharvak Environment Ltd.
2	Sarjan Chemicals	32	Shatataraka Holdings Pvt. Ltd.
3	Prakriya Pharmachem	33	Shivalik Solid Waste Management Ltd.
4	Urja Chemicals	34	Shroff Envirotral Pvt. Ltd.
5	UPL India	35	Shroffs United Chemicals Ltd.
6	Pot Plants	36	SWAL Corporation (I) Ltd.
7	Ultima Search	37	Uniphos Enterprises Ltd.
	GROUP COMPANIES:	38	United Phosphorus Ltd.
1	Agraja Properties Ltd.	39	Uniphos Agro Industries Ltd.
2	Agrinet Solutions Ltd.	40	UPL Environmental Engineers Ltd.
3	Archana Overseas Pvt. Ltd.	41	UPL Djai Power Ltd.
4	Bharuch Enviro Infrastructure Ltd.	42	Uniphos (Cyprus) Limited
5	Bloom Industrial Plastics Pvt. Ltd.	43	Timberlane PTE. Ltd.
6	Bloom Packaging Pvt. Ltd.	44	United Phosphorus (Cayman Islands)
7	Bloom Seals and Containers Pvt. Ltd.	45	Uniphos (Cayman Islands)
8	Bharuch Airport Infrastructure Pvt. Ltd.	46	Uniphos Envirotronic Pvt. Ltd.
9	Coimbatore Integrated Waste Management Co. P. Ltd.	47	Venture Drive Limited (Cayman Islands)
		48	Vyom Finvest P. Ltd.
		49	Advanta Seeds Limited
		50	Unicorn Seeds Private Limited

and any body corporate and/or entity promoted / formed by any of the above.
“Family” for this purpose includes spouse, dependent children and parents.

By Order of the Board
For Advanta India Limited

Date: 25th February, 2010	(V. R. Kaundinya)	(Vikram R. Shroff)
Place: Mumbai	Managing Director	Director

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The basic Philosophy of Corporate Governance of the Company is to achieve business excellence and enhance the shareholder value, keeping in view the interests of all stakeholders. The Company stands by transparency in all dealings and strict regulatory compliance. The Company believes that strong Corporate Governance is indispensable for healthy business growth and to be resilient in a vibrant capital market is an important instrument of investor protection.

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

II. BOARD OF DIRECTORS:

The Board of Directors is governed by provisions of the Companies Act, 1956, the Articles of Association of the Company and Clause 49 of the Listing Agreement entered with the Stock Exchanges.

The Board has a current strength of six Directors with a combination of executive and non – executive Directors, which meets the stipulated requirements of the Listing Agreement.

The composition and the category of Directors on the Board of the Company as on 31st December, 2009 were as under:

Sr. No.	Particulars of the Directors	Category
1.	Shri Jai R. Shroff, Chairman	Non-executive and Non-Independent Director
2.	Shri Vikram R. Shroff, Director	Non-executive and Non-Independent Director
3.	Shri Hardeep Singh, Director	Non-executive and Independent Director
4.	Shri Vinod Sethi, Director	Non executive and Independent Director
5.	Dr. Vasant P. Gandhi, Director	Non-executive and Independent Director
6.	Shri V. R. Kaundinya, Managing Director	Executive Director

The Company Secretary acts as the Secretary to the Board.

Other provisions as to Board and Committees

(i) Attendance of Directors at the Board Meeting and last Annual General Meeting held during the Reporting Period (01-01-2009 – 31-12-2009):

The Board meets at least once every quarter to review the quarterly results and other items on the agenda. Additional meetings are held, when necessary.

Nine (9) Board Meetings were held during the year, and the gap between two meetings did not exceed Four months. The dates on which the Board Meetings were held are as follows:

Financial Quarter 2009	Dates of Board Meeting
1 st Quarter ended 31 st March, 2009	5 th January 2009; 11 th February 2009; 30 th March 2009
2 nd Quarter ended 30 th June, 2009	30 th April 2009; 22 nd June 2009
3 rd Quarter ended 30 th September, 2009	28 th July 2009
4 th Quarter ended 31 st December, 2009	7 th October 2009; 30 th October 2009; 6 th November 2009

(ii) Attendance of each Director at the Board Meeting, Last Annual General Meeting, Number of Directorship and Membership/Chairmanship of the committee in various companies during the Reporting period are as under:

Name of Director	Attendance Particulars of meetings		Number* of Directorships (including Advanta India Limited)	Number of Committee positions held (including Advanta India Limited)	
	Board Meeting	Last AGM		Member (including Chairmanship)	Chairman
Mr. V. R. Kaundinya	9	Present	3	NIL	NIL
Mr. Jai R. Shroff	6	Present	15	2	NIL
Mr. Vikram Shroff	8	Absent	12	3	NIL
Mr. Vinod Sethi	6	Present	12	9	3
Dr. Vasant P. Gandhi	7	Absent	2	1	NIL
Mr. Hardeep Singh	5	Absent	6	4	3

- * excludes Private Limited and Foreign Companies
- For the purpose of reckoning number of Committees in which a Director is a Member / Chairman, the Memberships/ Chairmanships in Audit Committee and Shareholders Grievance Committee alone are considered.
- None of the Non-executive independent Directors have any pecuniary relationships or transactions with Company except the sitting fee paid for each meeting of the Board of Directors attended by them and the annual remuneration of Rs. 60.00 Lacs proposed for all of them with effect from 1st January, 2008 subject to approval of the Central Government and its approval is awaited.
- All the Directors who are on various committees are within the permissible limits of the listing agreement.
- None of the Directors has any relationship with other Directors of the Company except Mr. Jai R. Shroff and Mr. Vikram R. Shroff who are own brothers.

(iii) Availability of information to the Members of the Board

The Board has complete access to any information within the Company and to any of our employees. At meetings of the Board, it invites the auditors, internal auditors and managers who can provide additional insights into the items being discussed. The Company encourages / facilitates participation in the deliberations of the Board by Directors who are unable to attend any meeting of the Board through audio / video conference, subject to their accessibility and availability. The information supplied to the Board Meetings includes:

- Minutes of Audit and Investors Grievances Committee Meetings, as well as abstracts of circular resolutions passed,
- General Notice of interest of Directors,
- Annual / Quarterly Budgets, Capital Budgets and updates,
- Quarterly / half yearly / annual financial results,
- Dividend data,
- Materially important litigations, show cause notices, demand, prosecution and penalty notices,
- Details of any Joint Venture, acquisitions of Companies and collaboration agreements,

- Utilization of IPO proceeds,
- Details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement,
- Non-compliance of any regulatory, statutory or listing requirements as well as shareholders services such as non-payment of dividend or delays,
- Information on recruitment of senior officers just below the Board level including appointment or removal of General Managers and Company Secretary,
- Inter-corporate investments, loans and guarantees,
- Acquisition of business, abroad and in India,
- Raising the limit of borrowing powers of the Board of Directors; and
- Review of the procedure for risk assessment and minimization.

(iv) Annual disclosures of Director's interest as required under Section 299 of the Companies Act, 1956

Directors have furnished notice of disclosure of interest as required under Section 299(1) of the Companies Act, 1956 for the year 2010. Any change in their directorships / interest during the year would be disclosed to the Board as when such change occurs. The Company maintains Register of Contracts, Companies and Firms in which Directors are interested as provided under Section 301 (1) of the Companies Act, 1956.

CODE OF CONDUCT FOR ALL BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY

We at Advanta India Limited have laid down a Code of Conduct for all Board members and senior management of the company. The Code of Conduct is available on the website of the Company www.advantaindia.com. The code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the code of conduct. A declaration signed by the Chief Executive Officer (CEO) to this effect is attached in the Corporate Governance Report.

III. BOARD LEVEL COMMITTEES

(A) Qualified and Independent Audit Committee:

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement entered with the Stock Exchange (s). The terms of the reference of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement entered with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Our Audit Committee comprises of three (3) Independent Non-Executive Directors and one (1) Non-Executive and Non-Independent Director. All members of the Audit committee are financially literate and having accounting and related financial management exposure. Mr. Vinod Sethi, Chairman of the Audit Committee was present at the Annual General Meeting of the company held on 22nd June, 2009.

The Company Secretary acts as the Secretary to the Audit Committee.

Meetings of Audit Committee:

During the year under review, five meetings were held. These were held on 30th March, 2009, 30th April, 2009, 28th July, 2009, 30th October, 2009 & 6th November, 2009.

The Constitution of the Committee and the attendance of each member at the Audit Committee Meetings:

Name of the Director	Designation	Category	No. of meetings attended during the year under review
Mr. Vinod Sethi	Chairman	Independent Director	5
Mr. Vikram R. Shroff	Member	Non-Executive Director	5
Dr. Vasant P. Gandhi	Member	Independent Director	5
Mr. Hardeep Singh	Member	Independent Director	4

The meetings of the Audit Committee were attended by the heads of Finance and Statutory Auditors as invitees. The unaudited financial results for each quarter are approved by the Audit Committee before it is being passed on to the Board of Directors for approval and adoption.

Terms and reference of the Audit Committee include a review of:

- Financial reporting process
- Draft financial statements (before submission to the Board)
- Accounting Policies and Practices
- Internal Controls and Internal Audit Systems
- Risk Management Policies and Practices
- Related Party Transactions
- Internal Audit Reports and adequacy of internal audit function
- Matters required to be included in the Directors Responsibility Statement in terms of Section 217 (2AA) of the Companies Act, 1956.
- Reviewing with the management, performance of Statutory and Internal Auditors
- Discussion with the Internal Auditors on any significant findings and follow-up thereon.
- Management Discussion and Analysis of financial conditions and results of operations
- Review of the financial statements of subsidiary Companies
- Recommending the Board, the appointment, re-appointment, replacement or removal of the Statutory Auditors and fixation of remuneration to Auditors for audit of accounts and other services
- Review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements.

(B) Remuneration Committee:

The Company's remuneration policy is to attract and retain high caliber talent and to leverage on performance and is driven by the success and performance of the employees.

The Remuneration Committee has been entrusted to decide and fix the remuneration payable to Managing Director's / Whole – time Directors of the Company and the administration of the Employees Stock Option and Shares Plan-2006.

Five Remuneration Committee meetings were held during the year under review on 11th February, 2009, 30th March, 2009, 30th April, 2009, 30th October, 2009 and 30th November, 2009.

The Remuneration Committee consists of the following Directors:

Name of the Director	Designation	No. of Committee Meeting attended during the year 2009
Mr. Hardeep Singh	Chairman	5
Mr. Vikram R. Shroff	Member	5
Mr. Jaidev R. Shroff	Member	4
Mr. Vinod Sethi	Member	3
Dr. Vasant P Gandhi	Member	5

The Remuneration Committee shall function in accordance with the terms of reference made by the Board of Directors, which are given as follows:

1. To fix the remuneration packages of Executive Directors i.e., Managing Directors and Whole-time Directors, etc.,
2. To decide on the elements of remuneration package of all the Directors i.e. salary, benefits, bonus, stock options, pensions, etc.
3. To administer the Employee Stock Option and Shares Plan – 2006
4. Recommendation of fees/ compensation/ stock options, if any, to be paid/ granted, to Non-Executive Directors, including independent Directors, of the Board.
5. Meetings of the Committee shall be held whenever matters pertaining to the remuneration payable, including any revision in remuneration payable to Executive/ Non- Executive Directors are to be made.
6. 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:
 - i) 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.
 - ii) Carrying out any other function related to the terms of reference of the Remuneration Committee.
7. Any other functions / powers / duties as may be entrusted by the Board from time to time.

Details of remuneration paid to the Directors during the year 2009:

Name of the Director	Relationship with other Directors	Remuneration paid for the Year 2009 Rs in Lacs			
		Sitting fee	Salary*	Commission	Total
Mr. V. R. Kaundinya	NIL	NIL	137.82	NIL	137.82
Mr. Vinod Sethi	NIL	1.00	NIL	NIL	1.00
Mr. Hardeep Singh	NIL	1.00	NIL	NIL	1.00
Dr. Vasant P. Gandhi	NIL	1.40	NIL	NIL	1.40

* inclusive of salary, perquisites and contribution to Provident Fund and Superannuation Fund.

Remuneration Policy for Non-Executive Directors:

The Non-Executive Independent Directors are paid sitting fees of Rs. 20,000/- for each meeting of the Board attended by them. The total amount of sitting fees for the year was Rs. 3.60 Lacs. It is also approved to pay an annual remuneration to the Non-executive Independent Directors upto a maximum amount of Rs. 60 Lacs with effect from 1st January, 2008 for a period of Five Years in 14th Annual General Meeting. However approval of Central Government is awaited.

(C) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

The Board of Directors of the company has constituted Shareholders / Investors' Grievance Committee on January 22, 2007, comprising of three (3) Non Executive Directors.

The Shareholders' / Investors' Grievance Committee consists of the following Directors:

1. Mr. Vinod Sethi, Independent Director – Chairman
2. Mr. Vikram Shroff, Non-Executive Director – Member
3. Mr. Jai Shroff, Non-Executive Director – Member

The Company Secretary acts as the Secretary to the Committee.

The Company has appointed M/s. Sharepro Services (India) Pvt. Ltd. to act as Registrar and Transfer Agent of the Company.

The Committee deals with matters relating to transfer / transmission of shares, issue of duplicate share certificates, review of shares dematerialized, and all other related matters. The Committee also monitors redressal of investor's grievances. Particulars of investor's grievances received and redressed are furnished below:

Sr. No.	Particulars	Number of Complaints
1	Number of shareholder's complaints received so far.	Nil
2	Number of complaints not solved to the satisfaction of shareholders.	Nil
3	Number of pending complaints.	Nil

The complaints had been attended to within seven days from the date of receipt of the complaint as communicated by our Registrars and Share Transfer Agents, M/s. Sharepro Services (I) Pvt. Ltd.

IV. GENERAL BODY MEETINGS

The Company held its last three Annual General Meetings as under:

a) Location and time of the last three Annual General Meetings (AGMs)

AGM	Year	Venue	Date	Time	Special Resolutions Passed
15 th	2008	Quoram Hall, Hotel Minerva Grand, Sarojini Devi Road Secunderabad - 500 003	22 nd June, 2009	11:30 a.m.	Yes
14 th	2007	The Chancery, 10/6, Lavelle Road, Bengaluru - 560 001	24 th June, 2008	11:00 a.m.	Yes
13 th	2006 (01/04/06 – 31/12/06)	St. Mark’s Hotel Bengaluru	28 th June, 2007	11.00 a.m.	None

b) Special Resolution passed in the previous three (3) Annual General Meetings (AGMs)

Date of AGM	No. of Special Resolutions passed	Details of the Special Resolutions
22 nd June, 2009	2	(i) Reappointment of Mr. V.R. Kaundinya as the Managing Director of the company with effect from 10 th July, 2009 for a maximum period of three years at a maximum remuneration of Rs. Two Crores per annum with effect from 10 th July, 2009. (ii) Waiver of excess remuneration being paid to Mr. V.R. Kaundinya as the Managing Director of the company, over and above the limits prescribed under section 309 read with Schedule XIII of the Companies Act, 1956 for three Financial Years ended on 31 st December, 2006, on 31 st December, 2007 and on 31 st December, 2008.
24 th June, 2008	1	(i) To approve the shifting of Registered Office of the Company from the state of Karnataka to the State of Andhra Pradesh subject to confirmation by the Company Law Board
28 th June, 2007	Nil	Nil

c) Special Resolutions passed at the Extra Ordinary General Meetings (EGMs) in last three years

Date of EGM	No. of Special Resolutions passed	Details of the Special Resolutions
6 th November, 2009	1	Issue of further Equity shares and / or other convertible financial instruments through Public Issue, Rights Issue, Preferential Issue and / or Preferential Allotment for an aggregate amount not exceeding Rs. 750 Crores.
31 st October, 2008	2	To ratify the Employees Stock Options and Shares Plan, 2006 to enable the Company for fresh grant of options. To enable the Company to grant fresh options to the employees of its Subsidiaries.
28 th May, 2007	1	Increase in the Ceiling Limit on total holdings of Foreign Institutional Investors.
22 nd January, 2007	1	Resolution u/s 293 (1) (d) for increase in the Borrowing Powers of the Directors.

Postal Ballot

During the year, no Special Resolutions were passed through Postal Ballot.

Person who conducted the Postal Ballot exercise

Not Applicable

Special Resolutions proposed to be conducted through Postal Ballot

The Company has proposed one special resolution for alteration of Articles of Association in the ensuing Annual General Meeting of the company. There are no proposals for passing of resolutions through Postal Ballot.

Procedure for Postal Ballot

The procedure for Postal Ballot is as per the provisions contained in this behalf in the Companies Act ,1956 and rules made there under namely Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001.

V. DISCLOSURES

The shareholding of the Non-Executive / Independent Directors of the Company as on 31st December, 2009 is given below:

Name of Director	Nature of Directorship	No. of Equity Shares	Percentage to the paid up capital (Equity)
Mr. Jaidev R. Shroff	Non-Executive Director	1,015,350	6.03 %
Mr. Vikram R. Shroff	Non-Executive Director	846,650	5.03 %
Mr. Vinod Sethi	Independent Director	5,000	0.0297 %
Mr. Hardeep Singh	Independent Director	5,000	0.0297 %

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

The particulars of transactions between the Company and its related parties as per the Accounting Standard -18 “Related Party Disclosure” issued by the Central Government under Companies (Accounting Standards) Rules, 2006 are set out at Schedule U, Point No 9C to the Annual Accounts. Member may refer to notes of accounts for details of related party transactions. None of the transaction with the related parties is in conflict with the interest of the Company.

ii) **No strictures / penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India (SEBI) or any statutory authority on any matters related to the Capital Markets during the last three years.**

Company has complied with the requirement of regulatory authorities on capital market and no penalties or strictures 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 except the delay in filing Form FCGPR alongwith the documents within the

time scheduled to Reserve Bank of India from the date of issue of shares to the persons resident outside India in 2007. Company at suo-moto applied to RBI for compounding in the year 2009 and the same got compounded by the RBI by levying compounded fee of Rs. 60,000 vide their order dated 15.09.2009. The company also has paid the same immediately.

iii) Compliance with mandatory requirements and adoption of non-mandatory requirements of this clause:

Your Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. The details of these compliances have been given in the relevant sections of this report.

iv) As required under SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has appointed Mr. H. K. Agarwal, Company Secretary as the Compliance Officer of the Company who will be responsible for formulating policies, procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre- clearance of trades, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board.

The Company also has proposed its own code of internal procedures and conduct for preventions of insider trading which provides for “Trading Window” restrictions, disclosure requirements and also pre-clearance of trades in the Company’s securities.

VI. MEANS OF COMMUNICATION

The company’s corporate website www.advantaindia.com provides comprehensive information about its portfolio of businesses, section on “investor relations”, which serves to inform and service the shareholders allowing them to access information at their convenience. In the process of reviewing the site and making it more investor friendly Advanta has made about variations in the website. You can also lodge any investor related queries, complaints or submit your suggestions to the Company on investor@advantaindia.com, the company’s exclusive site and also communicate through investor’s toll number provided therein. Members are requested to quote their e-mail address, telephone number and full address for prompt reply to their communication.

Quarterly and Annual results are regularly submitted to stock exchanges and also published in English and Telugu news papers generally in **Business Standard** (English) – Hyderabad Publication and **Andhra Prabha** (Telugu) – Hyderabad Publication. All these results including the entire Report are made available on the Company’s website and are also made available to the investors through fax/mail on demand. Audited Accounts, Consolidated Financial Statements, Directors’ Report, Auditor’s Report and Management’s Discussion and Analysis forms part of the Annual Report which is mailed to the shareholders and others entitled thereto of the Company.

The Website also displays the official News releases.

STATEMENT PURSUANT TO CLAUSE 38 OF THE LISTING AGREEMENTS

The Company’s Equity Shares are currently listed on the **Bombay Stock Exchange Limited** (BSE) and **National Stock Exchange of India Limited** (NSE) and the Company has paid the Listing Fees up to 31st March, 2010.

VII. GENERAL SHAREHOLDERS INFORMATION

Details of 16 th Annual General Meeting	
Date and Time	29 th April, 2010; 11.30 a.m.
Venue	Quoram Hall, Hotel Minerva Grand, Sarojini Devi Road, Secunderabad - 500 003, Andhra Pradesh, India
Financial Calendar	
Financial Reporting for the Year 2009 (Results announced on)	Quarter ended 31 st March, 2009 – 30 th April, 2009. Quarter ended 30 th June, 2009 – 28 th July, 2009. Quarter ended 30 th September, 2009 – 30 th October, 2009.
	Entire financial year ended on 31 st December, 2009 – 25 th February, 2010.
Financial Reporting for the Year 2010 (Tentative)	Quarter ending 31 st March, 2010 on or before 30 th April, 2010. Quarter ending 30 th June, 2010 on or before 31 st July, 2010. Quarter ending 30 th September, 2010 on or before 31 st October, 2010. Quarter ending 31 st December, 2010 on or before 31 st January, 2011.

Book Closure (Both days inclusive)	19 th April, 2010 to 29 th April, 2010 (both days inclusive)
Dividend Payment Date	On or after 5 th May, 2010
Listing on Stock Exchanges	
Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	In B1 category
National Stock Exchange of India Limited (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, “G Block”, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051.	In EQ series
Stock Codes / Symbol	
Scrip Code on BSE	532840
Symbol on NSE	ADVANTA EQ
International Security Identification Number (ISIN)	
National Securities Depository Limited (NSDL)	INE517H01010
Central Depository Services (India) Limited (CDSL)	INE517H01010

MARKET PRICE DATA
ANNUAL HIGH-LOW PRICE HISTORY

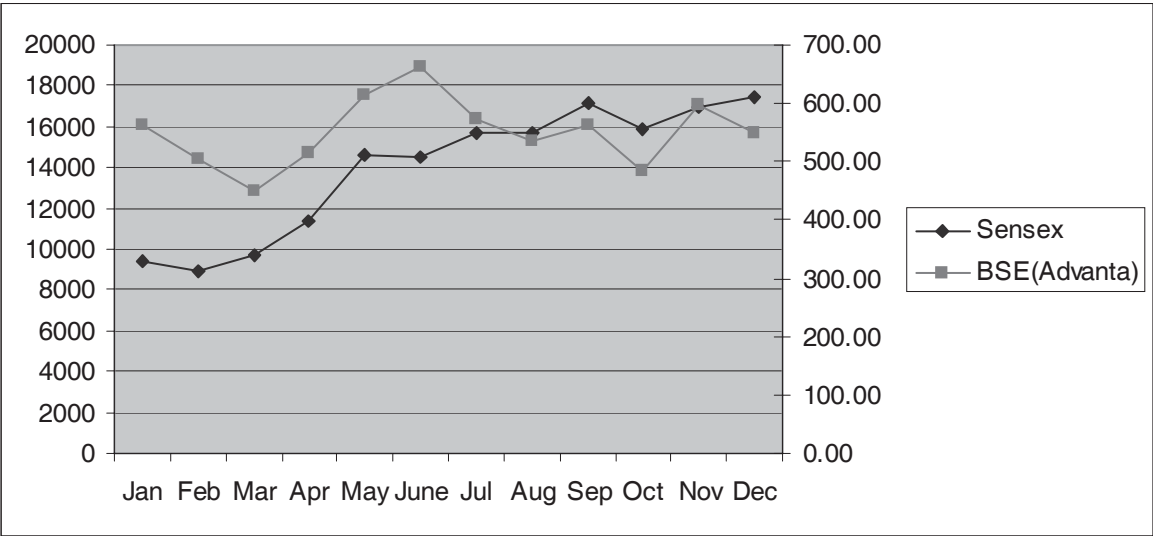
Month	Bombay Stock Exchange Limited (BSE)		National Stock Exchange Limited (NSE)	
Financial Year – 2009	High	Low	High	Low
January	610.00	495.00	604.50	465.00
February	569.95	480.00	560.00	472.00
March	504.50	410.00	520.00	431.00
April	594.90	446.00	594.60	442.80
May	664.00	481.30	667.00	485.20
June	754.70	565.35	755.00	571.00
July	733.90	566.15	735.00	562.00
August	604.50	506.00	600.05	518.00
September	600.00	511.30	600.00	507.00
October	636.00	476.00	635.90	471.30
November	679.00	398.20	680.00	395.00
December	613.70	521.00	614.40	520.00

Note – High and Low are in rupees.

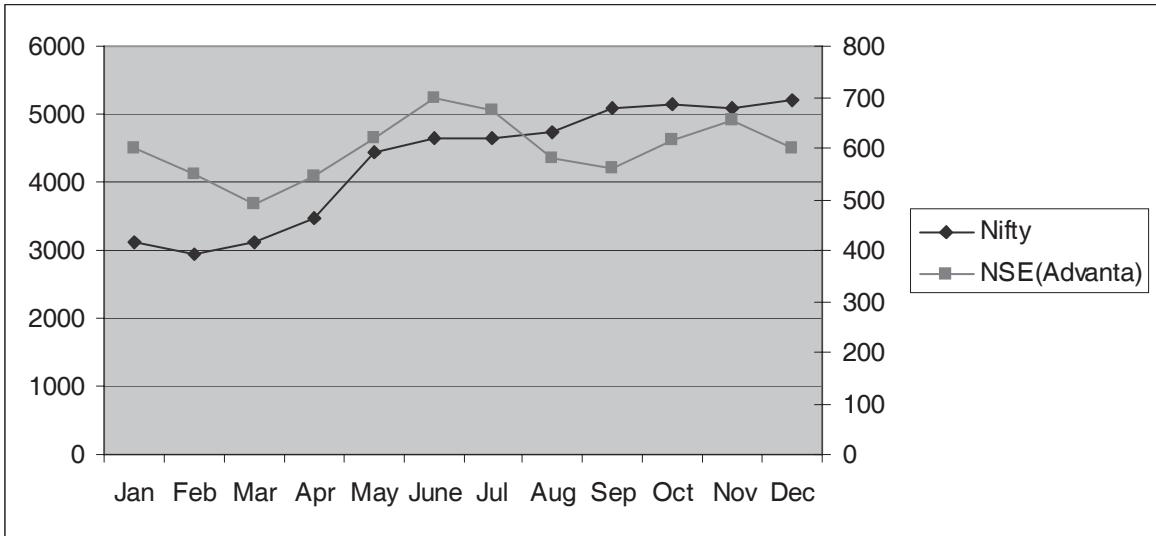
Stock Performance in comparison to broad based indices for FY 31st December 2009 - BSE Sensex Vs Advanta (Closing Share prices in BSE) and Nifty vs. Advanta (Closing Share Prices in NSE)

Month	Sensex	BSE	Nifty	NSE
		(Advanta)		(Advanta)
January	9424.24	563.05	3121.45	599.85
February	8891.6	505.00	2948.35	550.3
March	9708.5	450.00	3108.65	490
April	11403.25	515.55	3480.75	543.2
May	14625.25	614.95	4448.95	621.5
June	14493.84	663.70	4655.25	696.85
July	15670.31	573.10	4636.45	675.7
August	15666.64	536.50	4732.35	579.35
September	17126.84	562.80	5083.95	561.55
October	15896.28	483.60	5142.15	614.25
November	16926.22	597.75	5090.55	653.05
December	17464.81	549.10	5201.05	601.2

BSE, Sensex vs. Advanta Share Prices in BSE



NSE Nifty Vs. Advanta (Share Prices in NSE)



Registrar and Transfer Agent : 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 – 400 072.
E-mail: sharepro@shareproservices.com

SHARE TRANSFER SYSTEM:

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfers to the Committee of the Directors. The shares for transfer which are received in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

The Company has, as per SEBI Guidelines, offered the facility of transfer-cum-demat. Under the said system, after the share transfer is effected, an option letter is sent to the transferee indicating the details of the transferred shares and requesting him, in case he wishes to demat the shares, to approach a Depository Participant (DP) with the option letter. The DP, based on the option letter, generates a demat request and sends the same to the Company along with the option letter issued to the Company. On receipt of the same the Company dematerializes the shares. In case the transferee does not wish to dematerialize the shares, he need not exercise the option and the Company will dispatch the share certificates after 15 days from the date of such option letter.

DEMATERIALIZATION OF SHARES:

With effect from August 28, 2000, the shares of the company are under the compulsory demat settlement mode and can be traded only in the demat form. As on 31st December, 2009, 99.19% of the total issued share capital is held in dematerialized form with National Securities Depositories Limited (**NSDL**) and 0.81% of the total issued share capital is held in Central Depository Services Limited (**CDSL**). There are only 8 Equity Shares in physical form.

Name of Depository	Number of Shares held in dematerialized form	Percentage (%) of Issued Capital
NSDL	16,705,999	99.19
CDSL	1,35,631	0.81
Physical	8	0.00
TOTAL	16,841,630	100.00

Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:
Not Applicable.

PLANT LOCATIONS

- 1. B Camp Post, Krishna Nagar, Kurnool – 518 002, Andhra Pradesh
- 2. Kalakkal Village, Toopran Mandal, Medchal – Andhra Pradesh
- 3. Bharati Brahma Seeds, Nutankal Village, Medchal Mandal, Ranga Reddy District, 501 082, Andhra Pradesh

ADDRESS FOR CORRESPONDENCE

- a) Investor Correspondence

: M/s. Sharepro Services (I) Pvt. Ltd.
Samhita Complex, Gala No. 52 to 56, Building No. 13 A-B,
Near Sakinaka Telephone Exchange, Andheri-Kurla Road,
Sakinaka, Mumbai - 400 072
E-mail: sharepro@shareproservices.com
OR
Advanta India Limited
104-105, 1st Floor, Bhuvana Towers,
Sarojini Devi Road,
Secunderabad – 500 003. (A.P.)
- b) For queries relating to
Financial Statements of the Company
may be addressed to :

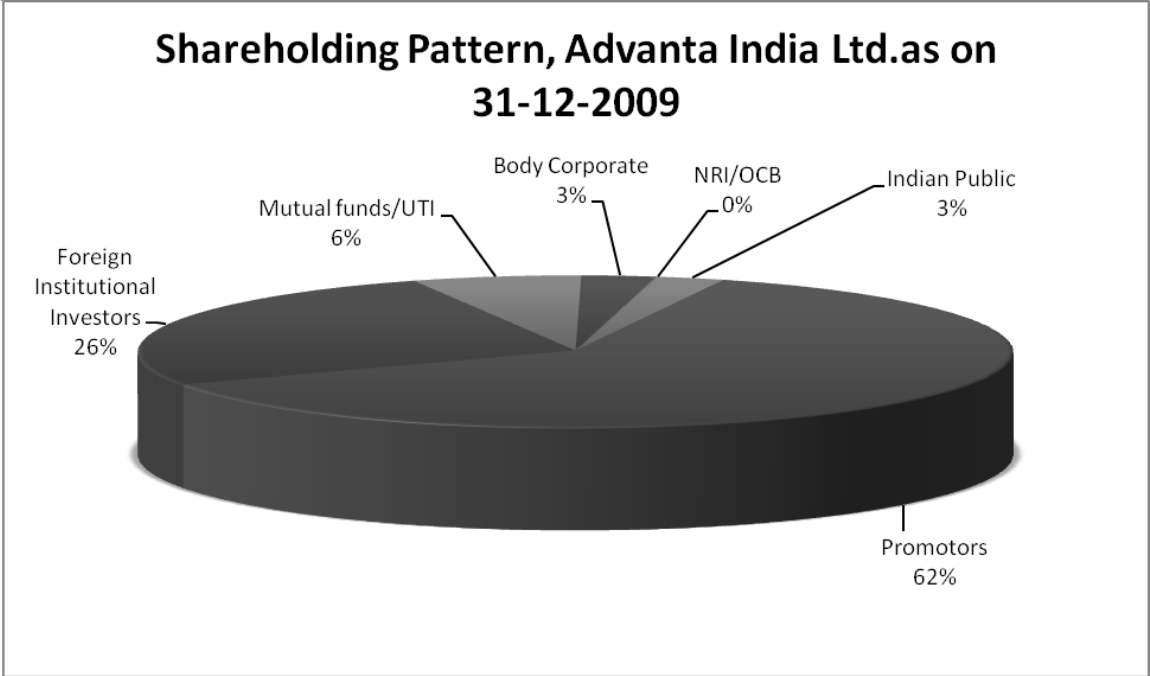
: Mr. H. K. Agarwal
Company Secretary
C/o Advanta India Ltd.
104-105, 1st Floor, Bhuvana Towers, Sarojini Devi Road,
Secunderabad – 500 003. (A.P.)

DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST DECEMBER, 2009

Category (Shares)	Shareholders		Shareholding	
	Folio(s)	%	Shares	%
(1)	(2)	(3)	(4)	(5)
Upto 500	4969	95.93	241029	1.43
501 - 1000	99	1.91	76333	0.45
1001 - 2000	50	0.96	74770	0.44
2001 - 3000	13	0.25	33291	0.20
3001 - 4000	4	0.08	14764	0.09
4001 - 5000	4	0.08	18673	0.11
5001 - 10000	8	0.15	53872	0.32
10001 - 99999999998	33	0.64	16328906	96.96
Total	5180	100.00	16841638	100.00

SHAREHOLDING PATTERN AS ON 31ST DECEMBER 2009

Category Code	Category of shareholder	No. of share-holders	Total No. of Shares	No. of shares held in demateri-alized form	Total shareholding as a percentage of total No. of shares		Shares pledged or encumbered otherwise	
					As a % (A+B)	As a % of (A+B+C)	No. of Shares	As a Percentage of (IX) = (VIII)(IV)*100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	
(A)	Shareholding of Promoter & Promoter Group							
1)	Indian							
(a)	Individuals/Hindu Undivided Family	7	846,656	846,650	5.03	5.03	0	0
(b)	Central Government/State Government(s)							
(c)	Bodies Corporate	3	8,589,851	8,589,851	51.00	51.00	4,730,000	55.06
(d)	Financial Institutions/Banks	–	–	–	–	–		
(e)	Trust	–	–	–	–	–		
	SUB TOTAL (A) (1)	10	94,36,507	94,36,501	56.03	56.03	4,730,000	50.12
2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	1	1,015,350	1,015,350	6.03	6.03	0	0
(b)	Bodies Corporate	–	–	–	–	–		
(c)	Institutions/FII	–	–	–	–	–		
(d)	Any other (Specify)	–	–	–	–	–		
	SUB TOTAL (A)(2)	1	1,015,350	1,015,350	6.03	6.03	0	0
	Total Shareholding of Promoter and		10,45,185					
	Promoter Group (A) = (A) (1)+(A) (2)	11	7	10,451,851	62.06	62.06	4,730,000	45.26
(B)	Public shareholding	–	–	–	–	–		
1)	Institutions	–	–	–	–	–		
(a)	Mutual Funds / UTI	6	1,063,117	1,063,117	6.31	6.31	0	0
(b)	Financial Institutions/Banks	–	–	–	–	–		
(c)	Central Government/State Government(s)	–	–	–	–	–		
(d)	Venture Capital Fund	–	–	–	–	–		
(e)	Insurance Companies	–	–	–	–	–		
(f)	Foreign Institutional Investors	21	4,427,592	4,427,592	26.29	26.29	0	0
(g)	Foreign Venture Capital Investors	–	–	–	–	–		
	Sub-Total (B) (1)	27	5,490,709	5,490,709	32.60	32.60	0	0
2)	Non-Institutions							
(a)	Bodies Corporate	449	464,316	464,316	2.76	2.76	0	0
(b)	Individuals	–	–	–	–	–		
	i) Individual shareholders holding nominal share Capital upto Rs. 1 Lakh	4,645	348,722	348,720	2.07	2.07	0	0
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	4	71,600	71,600	0.43	0.43	0	0
(c)	Any other (Specify)							
	a) Individual (Non-Resident)	43	12,307	12,307	0.07	0.07	0	0
	OCB	1	2,127	2,127	0.01	0.01	0	0
	Sub-Total (B) (2)	5,142	899,072	899,070	5.34	5.34	0	0
	Total Public Shareholding (B) = (B) (1) + (B) (2)	5,169	6,389,781	6,389,779	37.94	37.94	0	0
	Total (A) + (B)	5,180	16,841,638	16,841,630	100.00	100.00	4,730,000	28.09
(C)	Shares held by Custodians and against which Depository Receipts have been issued	–	–	–	–	–		
	GRAND TOTAL (A) + (B) + (C)	5,180	16,841,638	16,841,630	100.00	100.00	4,730,000	28.09



For Advanta India Limited

Date: 25 February, 2010
Place: Mumbai

(V. R. Kaundinya)
Managing Director

(Vikram R. Shroff)
Director

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The members of
Advanta India Limited
Hyderabad

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate governance of M/s Advanta India Limited ("the Company") for the year ended 31st December, 2009 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. Our examination was limited to the procedures and implementation thereof, adopted by the Company and ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of 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 R&A Associates
Company Secretaries**

Date: 25 February, 2010
Date: Hyderabad

(R. Ramakrishna Gupta)
Partner

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure and developments

The core business of Advanta is seeds and agricultural biotechnology. Advanta is a unique Indian Company that has global operations in seeds. Advanta is the largest sorghum seed company in the world today and has leadership position in some of the other crops like Sunflower, Tropical Corn, Mustard and Sweet Corn.

Advanta has taken giant strides in the last four year period to emerge as one of the fastest growing seed and biotech Companies in Asia Pacific, South America, NAFTA and Africa. It has sharp focus on its strategies, enhanced research investments, acquired five businesses around the world, entered the vegetables seed business for the first time, made investment in biotech area, introduced first transgenic crops in India, Argentina and Australia. It has set up a global supply chain function and strengthened the organization considerably.

Opportunities and Threats

The need for continuously increasing agricultural productivity is high on the priorities of many countries including India. This is possible only by increasing the genetic potential of the seeds on a continuous basis. Enhanced demand for biofuels and healthy oils is also pushing up the business prospects for some crops like sorghum and sunflower. Seed is the most critical input in this process. So, the demand for good quality hybrid seeds will keep increasing around the world particularly in Asia, Latin America and Africa. This is the biggest opportunity for Advanta.

Use of biotechnology in agriculture is going up rapidly and is creating additional value for the farmers and the seed industry. This is another area of opportunity which Advanta is trying to tap into. The company has now got global exclusive licenses for some important GM traits like drought tolerance, salt tolerance and Nitrogen Use Efficiency for application in different crops.

Segment-wise or product-wise performance

Business Segment:

The Company has considered business segment as the primary segment for disclosure. The Company is engaged in research, production and distribution of Hybrid seeds, which in the context of Accounting Standards 17, India is considered the only Business Segment.

Geographical Segment:

Secondary segmental information is based on the geographical location of the customers. The geographical segment have been disclosed based on revenues within India (sales to customers in India) and revenues outside India (sales to customer located outside India). The relevant information has been given under schedule U, point no. 8b of notes of accounts.

Segment Information on Consolidated financials has not been given as the management is of the view that the said information would be prejudicial to the interest of the Company.

Outlook

The year 2009 is a difficult year for many reasons. We had the worst drought in some parts in Southern hemisphere. The situation was no better in India and, in fact, it was even worse as the drought was followed by floods. The climate change has increased the unpredictability of the weather patterns. Planting of crops was seriously impacted in many parts of the world. As a company, we have had a tough year. The business development has been below our expectations on this count, particularly in Australia. On the positive side the weather, the plantings and our business in general were on expected lines in certain parts of Asia, Africa and North America. In general the farmer is happy because of good prices of agricultural commodities.

We are approaching 2010 with a positive frame of mind. Rains are received in the Southern hemisphere and the agricultural situation is expected to improve. There is need for us to improve operational efficiencies of the business and to reduce cost, particularly in some subsidiaries.

Risks and concerns.

Weather remains to be the most important area of risk and concern in this business particularly because of climate change and variations in weather in different parts of the world. The weather impacts our sale as well as our seed production.

Internal control systems and their adequacy.

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

The Companies internal Audit function is staffed with qualified and experienced people.

The standard operating Procedures (SOPs) put in place by the company is in line with the best global practices, and has been laid down across the process flows along with authority controls for each activity.

Discussion on financial performance with respect to operational performance.

The Company has recorded a consolidated total income of Rs. 69,834.04 Lacs as against Rs. 62,336.08 for the previous year, which is 12.03% higher than the previous year. The consolidated profit after tax stood at Rs. 2822.68 Lacs as against Rs. 5234.20 Lacs, which is lower by 46.07%.

The decline in profits is attributable mainly due to higher cost of goods manufactured and interest cost. However, in spite of the fact that we had faced worst drought conditions in some part of Southern hemisphere followed by the similar situation in India, which was even worst as the drought was followed by floods, your Company could achieve a marginal growth on top line. But due to raise in cost of goods manufactured and finance charges, the consolidated profit declined to Rs. 2822.68 Lacs.

Material developments in Human Resources / Industrial Relations front including number of people employed.

The company is investing in deploying high quality manpower in some of the critical roles. Enhancing the quality of people through training programs is another area that the company works on. Recognising talent from the incoming manpower from acquisitions, integrating them into the mainline Advanta teams and utilizing their skills for improving the global business of the company have been done successfully by the company in the last four years. An atmosphere of cordial relations with the employees has prevailed in the organization all over the world.

Cautionary statements

Statement in this Management and discussion analysis describing the company objectives, projections and estimates and expectations may be Forward Looking statements within the meaning of applicable laws and regulations. Actual may differ substantially or materially from those expressed or implied. Important development that could effect the company operations include a downward trend in the Domestic Industry Monsoon rise in input cost, exchange rate fluctuations and significant change in Political & Economic Environment in India, Environment Standards, Tax Laws, Litigations and Labour Relations.

Declaration regarding compliance by Board members and senior management personnel with the Company's code of conduct

I, V.R. Kaundinya, Managing Director of **M/s. Advanta India Limited** hereby declare that all the Board members and senior managerial personnel have affirmed for the year ended 31st December 2009 compliance with the code of conduct of the Company laid down for them.

Date: 25 February, 2010
Place: Mumbai

V.R. Kaundinya
Managing Director

Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in accordance with Clause 49 of the listing agreement

We, V.R. Kaundinya, Managing Director and Manoj Gupta, Group Chief Financial Officer of **M/s. Advanta India Limited** certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31st December 2009 and to the best of our knowledge and belief;
 - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That 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;
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take and rectify the identified deficiencies; and
4. That we have informed the auditors and the Audit Committee of:
 - a) The significant changes in the internal control during the year;
 - b) The significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) That we have not come across any instances of significant fraud of which we have become aware and the involvement of an employee having a significant role in the Company's internal control system.

Date: 25 February, 2010
Place: Mumbai

(V. R. Kaundinya)
Managing Director

(Manoj Gupta)
Group Chief Financial Officer

AUDITORS' REPORT

To
The Members of Advanta India Limited

1. We have audited the attached Balance Sheet of Advanta India Limited as at 31st December, 2009 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Without qualifying our opinion we draw attention to note 17.1 of Schedule U of the financial statements, the remuneration paid to the Managing Director is in excess of the limits specified in Schedule XIII of the Companies Act, 1956 by Rs. 137.37 Lacs (Previous Year: Rs. 62.61 Lacs) for which steps are being taken by the Company to obtain Central Government approval. Pending, final outcome of the Company's application, no adjustments have been made to the financial statements.
5. Further to our comments in the Annexure referred to above, 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 purposes 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, the profit and loss account 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 profit and loss account and the cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the Directors, as on 31st December, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st December, 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon, give the information required by the Companies Act, 1956, 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 31st December, 2009;
 - b) In the case of the profit and loss account, of the loss of the Company for the year ended on that date; and
 - c) In the case of cash flow statement, of the cash flows for the year ended on that date.

For S.R. BATLIBOI & ASSOCIATES
Chartered Accountants

per Sudhir Soni
Partner
Membership No.: 41870

Date : February 25, 2010
Place : Mumbai

Annexure referred to in paragraph 3 of our report of even date
Re: Advanta India Limited ('the Company')

- (i) (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
(b) As explained to us, some of the fixed assets have been physically verified by the management under the phased programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
(c) There was no substantial disposal of the fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals.
(b) The procedures of physical verification of inventories 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) The Company has granted an interest free loan/advance to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 5,200 lacs and the year-end balance of the loan granted to such company was Rs. 1,100 lacs.
(b) In our opinion and according to the information and explanations given to us, the rate of interest and the other terms and conditions for said loan are not prima facie prejudicial to the interest of the Company.
(c) In respect of loans granted, repayment of the principal amount is as stipulated.
(d) There is no overdue amount of loan granted to a company covered in the register maintained under section 301 of the Companies Act, 1956.
(e) The Company has taken loan from a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.4,900 lacs and the year-end balance of the loan taken from such company was Rs. 1,189.65 lacs.
(f) 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.
(g) 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, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company
- (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 Act that need to be entered into the register maintained under section 301 have been so entered.
(b) In respect of transactions made in pursuance of such contracts or arrangements exceeding value of Rupees Five lakhs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable prices, we are unable to comment whether the transactions were made at 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 its size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues applicable to it. Excise duty is not applicable to the Company. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
(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,

sales-tax, customs duty, cess and other undisputed 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 records of the Company, the dues outstanding of income-tax on account of any dispute are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.07	Assessment year 2002-03	Commissioner of Income Tax (Appeals)
		4.84	Assessment year 2004-05	Commissioner of Income Tax (Appeals)
		199.86	Assessment year 2005-06	Commissioner of Income Tax (Appeals)
		434.93	Assessment year 2006-07	Commissioner of Income Tax (Appeals)

According to the information and explanation given to us, there are no dues of sales tax, wealth-tax, service tax, customs duty and cess which have not been deposited on account of any dispute. Excise duty is not applicable to the Company.

- (x) The Company has no accumulated losses at the end of the financial year and it has incurred cash losses in the current but not in the 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. The Company has no outstanding dues in respect of a financial institution or debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to 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 Companies (Auditor's Report) Order, 2003 (as amended) 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 Companies (Auditor's Report) Order, 2003 (as amended) 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 bank or financial institutions, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.
- (xvi) Based on 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.
- (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.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through 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 course of our audit.

For S.R. BATLIBOI & ASSOCIATES
Chartered Accountants

per Sudhir Soni
Partner
Membership No.: 41870
Date : February 25, 2010
Place : Mumbai

BALANCE SHEET AS AT 31ST DECEMBER, 2009

	Schedule		As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SOURCES OF FUNDS				
Shareholders' Funds				
a) Share Capital	A	1,684.16		1,683.67
b) Share Application Money Pending Allotment		–		2.46
c) Reserves and Surplus	B	37,991.08		42,317.41
			39,675.24	44,003.54
Loan Funds				
a) Secured Loans	C	2,585.20		4,380.18
b) Unsecured Loans	D	12,689.65		5,853.05
			15,274.85	10,233.23
Deferred Tax Liability (Net)	E		–	602.57
Total			54,950.09	54,839.34
APPLICATION OF FUNDS				
Fixed Assets				
a) Gross Block	F	10,495.34		10,317.96
b) Less: Accumulated Depreciation / Amortisation		3,424.26		2,558.17
c) Net Block		7,071.08		7,759.79
d) Capital Work-in-progress including capital advances		42.91		53.29
			7,113.99	7,813.08
Investments	G		41,658.51	41,601.51
Current Assets, Loans and Advances				
a) Inventories	H	6,059.47		5,669.47
b) Sundry Debtors	I	1,459.54		3,430.11
c) Cash and Bank Balances	J	188.91		361.29
d) Other Current Assets	K	309.93		74.62
e) Loans and Advances	L	4,569.76		3,206.21
(A)		12,587.61		12,741.70
Less : Current Liabilities and Provisions				
a) Liabilities	M	6,003.68		6,910.34
b) Provisions		406.34		406.61
(B)		6,410.01		7,316.95
Net Current Assets	(A-B)		6,177.59	5,424.75
Total			54,950.09	54,839.34
Notes on Accounts				
	U			

The Schedules referred to above and notes to accounts form an integral part of Balance Sheet

As per our Report of even date

For and on behalf of the Board of
Advanta India Limited

For S. R. BATLIBOI & ASSOCIATES
Chartered Accountants

Vikram R. Shroff
Director

V. R. Kaundinya
Managing Director

per Sudhir Soni
Partner
Membership No.: 41870

Manoj Gupta
Chief Financial Officer

H. K. Agarwal
Company Secretary

Place : Mumbai
Date: February 25, 2010

Place : Mumbai
Date: February 25, 2010

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2009

	Schedule	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
INCOME				
Sales		10,276.32		13,931.03
Less: Rebates and discounts		<u>39.02</u>		<u>1,268.47</u>
			10,237.30	12,662.56
Other Income From Operations	N		248.60	218.51
Other Income	O		<u>522.35</u>	<u>3,349.61</u>
			11,008.25	16,230.68
EXPENDITURE				
Cost of Goods Manufactured / Raw Material Consumed	P		7,068.20	4,720.24
Decrease / (Increase) in Stocks	Q		64.76	1,000.48
Personnel Expenses	R		1,770.67	2,165.24
Operating and Other Expenses	S		3,124.16	4,246.91
Interest and Other Financial Costs	T		2,408.39	2,167.90
Depreciation / Amortisation			<u>886.12</u>	<u>870.39</u>
			15,322.30	15,171.16
PROFIT / (LOSS) BEFORE TAXATION			(4,314.05)	1,059.52
Provision for Taxation				
- Current Tax		-		56.68
- MAT credit entitlement		-		(56.68)
- Deferred Tax Charge		-		4.25
- Fringe Benefit Tax		10.70		70.31
- Short/(Excess) Provision for Taxation for earlier years (Refer Note No. 12 in Schedule U)		<u>(195.89)</u>		-
Total tax expense			<u>(185.19)</u>	<u>74.56</u>
PROFIT / (LOSS) AFTER TAXATION AND BEFORE PRIOR PERIOD ITEMS			(4,128.86)	984.96
Less: Prior Period Expenses - Others [Net of Tax: Rs. 14.14 lacs (Previous Year: Rs. 128.02 lacs)]			<u>14.14</u>	<u>128.02</u>
NET PROFIT / (LOSS)			(4,143.00)	856.94
Balance brought forward from previous year			<u>4,535.60</u>	<u>4,000.67</u>
Profit available for appropriation			392.61	4,857.61
Appropriations:				
Proposed Dividend		168.42		168.39
Tax on Distributed Profits		28.62		28.62
Transfer to General Reserve				<u>125.00</u>
			197.04	322.01
Surplus carried to Balance Sheet			195.57	4,535.60
Earning Per Share :				
Basic			(24.60)	5.09
Diluted			(24.37)	5.05
Face value Per Share (Rs.)			10.00	10.00
(Refer Note No.13 in Schedule U)				
Notes on Accounts	U			

The Schedules referred to above and the notes to accounts form an integral part of the Profit and Loss Account
As per our Report of even date

For S. R. BATLIBOI & ASSOCIATES
Chartered Accountants

per Sudhir Soni
Partner
Membership No.: 41870

Place : Mumbai
Date: February 25, 2010

For and on behalf of the Board of
Advanta India Limited

Vikram R. Shroff
Director

Manoj Gupta
Chief Financial Officer

Place : Mumbai
Date: February 25, 2010

V. R. Kaundinya
Managing Director

H. K. Agarwal
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2009

		Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) before Taxation	(4,314.05)	1,059.52
	Adjustments for :		
	Depreciation	886.12	870.39
	Bad Debts	2.48	13.69
	Excess Interest Income written off	—	49.64
	Loss/(Profit) on sale of Fixed Assets	4.35	17.33
	Loss/(Profit) on sale of Investments	—	(2,581.44)
	Assets written off	13.38	—
	Provision for Doubtful Debts	254.56	191.75
	Interest received	(16.89)	(113.31)
	Dividend received	(485.40)	(499.06)
	Interest paid	1,706.50	1,740.17
	(Excess)/Short Provision for depreciation	—	(11.63)
		<u>2,365.10</u>	<u>(322.47)</u>
	Operating Profit before working capital changes	(1,948.95)	737.05
	Adjustments for:		
	Decrease / (Increase) in Sundry Debtors	1,713.52	504.90
	Decrease / (Increase) in Loans and Advances	(1,271.70)	(841.65)
	Decrease / (Increase) in Inventories	(390.00)	644.01
	Increase / (Decrease) in Current Liabilities	(65.89)	1,156.73
	Increase / (Decrease) in Provisions	12.60	40.78
		<u>(1.47)</u>	<u>1,504.77</u>
	Cash generated from/(used) in Operations	(1,950.42)	2,241.82
	Direct taxes paid	(522.13)	(378.11)
	Cash flow before prior period adjustments	(2,472.55)	1,863.71
	Prior Period Adjustments (Other than Taxation)	(14.14)	(128.02)
	Net cash from/(used) in Operating Activities (A)	(2,486.69)	1,735.69
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets and Intangible Assets	(227.58)	(432.27)
	Sale of fixed assets	22.82	223.49
	Purchase of Investments in subsidiary	(57.00)	(24,734.56)
	Payment towards Milestone	—	(1,000.00)
	Sale of Investments	—	19,381.35
	Maturity of fixed deposits	137.78	1,183.30
	Interest received	14.26	1,630.05
	Dividend received	252.73	499.06
	Net Cash from/(used) in Investing Activities (B)	143.01	(3,249.58)
C	CASH FLOW FROM FINANCIAL ACTIVITIES		
	Proceeds from long-term borrowings	24,641.61	26,217.21
	Repayment of long-term borrowings	(19,600.00)	(23,832.63)
	Proceeds from Issue of equity shares	0.41	2.67
	Share premium received	11.32	46.13
	Interest paid	(2,547.30)	(991.82)
	Dividend paid	(168.33)	(165.35)
	Tax on distributed Profits	(28.62)	(28.61)
	Net cash from Financing Activities (C)	2,309.09	1,247.60
	Net increase in cash and cash equivalents (A+B+C)	(34.59)	(266.29)
	Cash and cash equivalents at the beginning of the year	196.40	462.69
	Cash and cash equivalents at the end of the year	161.81	196.40
	Components of Cash and Cash Equivalents		
	Cash on Hand	1.43	1.99
	Balance with Scheduled banks		
	In Current Accounts	160.38	194.41
	In Deposit Accounts	27.10	164.89
	Cash and bank balance as per Balance Sheet	188.91	361.29
	Less: Long term deposits considered in investing activities	(27.10)	(164.89)
	Cash and cash equivalents considered for cash flows	<u>161.81</u>	<u>196.40</u>

As per our Report of even date

For S. R. BATLIBOI & ASSOCIATES
Chartered Accountants

per Sudhir Soni
Partner
Membership No.: 41870

Place : Mumbai
Date: February 25, 2010

For and on behalf of the Board of
Advanta India Limited

Vikram R. Shroff
Director

Manoj Gupta
Chief Financial Officer

Place : Mumbai
Date: February 25, 2010

V. R . Kaundinya
Managing Director

H. K. Agarwal
Company Secretary

SCHEDULE FORMING PART OF THE BALANCE SHEET

	(Rs. in lacs)	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE A			
SHARE CAPITAL			
Authorised 7,50,00,000 (Previous Year : 2,00,00,000) Equity Shares of Rs. 10 /- each		<u>7,500.00</u>	<u>2,000.00</u>
Issued, Subscribed and Paid-up 1,68,41,638 (Previous Year : 1,68,36,659) Equity Shares of Rs.10/- each fully paid-up		<u>1,684.16</u>	<u>1,683.67</u>
Total		<u>1,684.16</u>	<u>1,683.67</u>
(For details of Stock options outstanding refer Note No. 7 in Schedule U)			
SCHEDULE B			
RESERVES AND SURPLUS			
Capital Reserve			
State Investment Subsidy		20.00	20.00
General Reserve			
Balance as per last Balance Sheet	1,816.11		1,123.11
Add : Transferred from Profit and Loss Account	—		125.00
Add : Transferred from Contingency Reserve	<u>—</u>	1,816.11	<u>568.00</u>
			1,816.11
Securities Premium Account			
Balance as per last Balance Sheet	35,228.50		35,182.37
Add : Received during the year on issue of equity shares	13.69		5.94
Add : Public issue expenses reversed (Net)	<u>—</u>		<u>40.19</u>
		35,242.19	35,228.50
Amalgamation Reserve		717.21	717.21
Balance in Profit and Loss Account		195.57	4,535.60
Total		<u>37,991.08</u>	<u>42,317.41</u>
SCHEDULE C			
SECURED LOANS			
From Banks:			
On Cash Credit / Packing Credit Loan		85.20	3,150.18
On Working Capital Demand Loan / Short Term Loan		2,500.00	1,230.00
The aforesaid loans are secured by <i>pari passu</i> first charge by way of hypothecation of entire stocks of raw materials, finished goods, work-in-process, consumable stores and spares and such other movables including book-debts, outstanding monies, receivables, both present and future.			
Total		<u>2,585.20</u>	<u>4,380.18</u>

SCHEDULE FORMING PART OF THE BALANCE SHEET

	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE D		
UNSECURED LOANS		
Term Loans:		
From Banks*	9,500.00	3,000.00
From a Company**	1,189.65	2,853.05
Commercial Paper*	2,000.00	—
[Maximum amount outstanding during the year : Rs. 2,000.00 lacs (Previous Year : Nil)]		
Total	12,689.65	5,853.05
*Repayable within one year	6,500.00	—
**Repayable on demand	1,189.65	2,853.05
SCHEDULE E		
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Differences due to accelerated amortisation of intangibles under Income Tax Act	—	624.68
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	—	274.15
	—	898.83
Deferred Tax Asset		
Unabsorbed Depreciation	—	131.56
Provision for Doubtful Advances / Debtors	—	104.04
Effect of expenditure debited to profit and loss account in the current year but allowed for tax purposes in following years	—	60.66
	—	296.26
Net Deferred Tax Liability	—	602.57

SCHEDULE FORMING PART OF THE BALANCE SHEET
SCHEDULE F : FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 1st January, 2009	Additions during the year	Deductions/ Adjustments during the year	As at 31st December, 2009	As at 1st January, 2009	Provided for the year	Deductions/ Adjustments during the year	As at 31st December, 2009	As at 31st December, 2009	As at 31st December, 2008
TANGIBLE ASSETS :										
Land-Freehold	123.92	-	-	123.92	-	-	-	-	123.92	123.92
Building-Freehold	485.80	14.92	22.70	478.02	114.42	14.60	1.50	127.52	350.50	371.38
Plant and Machinery	1,308.53	204.95	1.26	1,512.22	523.26	81.92	1.17	604.01	908.21	785.27
Furniture and Fixtures	214.07	18.09	17.37	214.79	40.83	27.22	3.99	64.06	150.73	173.24
Motor Vehicles	146.99	-	19.25	127.74	69.98	22.35	13.37	78.96	48.78	77.01
INTANGIBLE ASSETS :										
Goodwill	155.00	-	-	155.00	-	-	-	-	155.00	155.00
Technical Knowhow	1,095.35	-	-	1,095.35	674.85	58.00	-	732.85	362.50	420.50
Technology Licence Fees	32.00	-	-	32.00	18.13	6.40	-	24.53	7.47	13.87
Germ Plasm	815.49	-	-	815.49	92.94	81.55	-	174.49	641.00	722.55
Software	136.10	-	-	136.10	7.94	13.61	-	21.55	114.55	128.16
Trade Marks / Brands*	5,804.71	-	-	5,804.71	1,015.82	580.47	-	1,596.29	4,208.42	4,788.89
Total	10,317.96	237.96	60.58	10,495.34	2,558.17	886.12	@ 20.03	3,424.26	7,071.08	7,759.79
Previous Year	10,143.40	428.21	253.65	10,317.96	1,712.24	870.39	24.46	2,558.17	42.91	53.29
Capital Work in Progress (Refer Note 1 given below)										
Total										7,113.99

- Notes:
- Capital Work-in-Progress includes Advances for Capital Expenditure Rs. 42.91 lacs (Previous Year: Rs. 53.29 lacs)
 - @ Including excess provision for depreciation for earlier years Nil (Previous Year: Rs. 11.63 lacs)
 - * The company is in the process of transferring the same in its own name.

SCHEDULE FORMING PART OF THE BALANCE SHEET

	(Rs. in lacs)	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE H			
INVENTORIES (at lower of cost and net realisable value)			
Packing / Processing Materials		291.78	336.02
Work-in-Process		435.23	422.54
Raw Seeds		731.13	232.13
Finished Goods			
- Basic Seeds	1,388.53		1,289.40
- Hybrid Seeds	<u>3,212.80</u>		<u>3,389.38</u>
		4,601.33	4,678.78
Total		<u>6,059.47</u>	<u>5,669.47</u>
SCHEDULE I			
SUNDRY DEBTORS			
UNSECURED			
Debts outstanding for a period exceeding six months:			
Considered good	322.36		837.28
Considered doubtful	<u>457.23</u>		<u>202.67</u>
	779.59		1,039.95
Less: Provision for doubtful debts	<u>457.23</u>		<u>202.67</u>
		322.36	837.28
Other Debts :			
Considered good		1,137.18	2,592.83
Total		<u>1,459.54</u>	<u>3,430.11</u>
SCHEDULE J			
CASH AND BANK BALANCES			
Cash on Hand		1.43	1.99
Balances with Scheduled Banks :			
On Current Accounts	160.38		194.41
On Deposit Accounts	<u>27.10</u>		<u>164.89</u>
		187.48	359.30
Total		<u>188.91</u>	<u>361.29</u>
SCHEDULE K			
OTHER CURRENT ASSETS			
Interest Receivable on loans and deposits to others		77.25	74.62
Dividend Receivable from a subsidiary		<u>232.68</u>	<u>—</u>
Total		<u>309.93</u>	<u>74.62</u>

SCHEDULE FORMING PART OF THE BALANCE SHEET

	(Rs. in lacs)	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE L			
LOANS AND ADVANCES			
(Unsecured, Considered good, unless otherwise stated)			
Advances to Subsidiaries		1,310.11	269.39
Advances Recoverable in cash or in kind or for value to be received			
Considered good	1,457.90		1,067.31
Considered doubtful	103.43		103.43
	<u>1,561.33</u>		<u>1,170.74</u>
Less : Provision for Doubtful advances	<u>103.43</u>		<u>103.43</u>
		1,457.90	1,067.31
Deposits with Government, Public Bodies, Others etc.		232.49	387.10
Advance Income Tax {Net of Provision Rs. 1,965.03 lacs (Previous Year: Rs. 1,615.04 lacs)}		1,569.26	1,420.73
Share Application Money		—	5.00
MAT credit entitlement		—	56.68
Total		<u>4,569.76</u>	<u>3,206.21</u>
SCHEDULE M			
CURRENT LIABILITIES AND PROVISIONS			
Liabilities			
Sundry Creditors			
Total outstanding dues of creditors other than micro enterprises and small enterprises (Also Refer Note No. 6 in Schedule U)	2,206.58		1,650.79
Due to Subsidiaries	83.92		83.27
Advances from customers	1,036.13		1,152.87
Security Deposits	202.61		331.35
Investor Education and Protection Fund shall be credited by following amounts (as and when due):			
Unpaid Dividend (Previous Year: Rs. 3)	0.06		—
Interest accrued but not due	18.80		859.60
Milestone payable	1,000.00		1,000.00
Other Liabilities	<u>1,455.58</u>		<u>1,832.46</u>
		6,003.68	6,910.34
Provisions			
Provision for Leave Encashment	102.33		86.58
Provision for Gratuity	87.88		91.03
(Refer Note No. 10 in Schedule U)			
Provisions for Fringe Benefit Tax {Net of Advances Rs. 148.25 lacs (Previous Year: Rs. 117.15 lacs)}	19.09		31.99
Proposed Dividend	168.42		168.39
Tax on proposed dividend	<u>28.62</u>		<u>28.62</u>
		406.34	406.61
Total		<u>6,410.01</u>	<u>7,316.95</u>

SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
SCHEDULE N			
OTHER INCOME FROM OPERATIONS			
Sale of Remnants		92.74	115.55
Provisions written back		139.95	80.32
Miscellaneous Income		15.91	22.64
Total		248.60	218.51
SCHEDULE O			
OTHER INCOME			
Income from Long-Term Investments: (Trade)			
Dividend from Subsidiary Companies		485.40	499.06
Exchange gain on buy-back of long-term investment by subsidiary		—	2,581.44
Interest on Loans and Deposits etc., (Gross)		16.89	113.31
[Tax Deducted at Source : Rs. 2.73 lacs (Previous Year : Rs. 56.12 lacs)]			
Gain on Exchange fluctuations (Net)		—	125.57
Miscellaneous Income		20.06	18.60
Excess Provision for Amortisation		—	11.63
Total		522.35	3,349.61
SCHEDULE P			
COST OF GOODS MANUFACTURED / RAW MATERIAL CONSUMED			
Inventories at the beginning of the year	232.13		18.69
Add: Produced	3,066.11		1,285.20
Less: Inventories at the end of the year	<u>731.13</u>		<u>232.13</u>
Consumption of Raw Seed		2,567.11	1,071.76
Purchase of seeds		2,070.37	2,455.08
Seeds Processing charges and other charges		1,115.69	468.23
Land lease charges		884.30	429.54
Chemical and Fertilizer consumed		209.01	185.10
Freight Inwards		221.72	110.53
Total		7,068.20	4,720.24

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT

	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
SCHEDULE Q			
DECREASE / (INCREASE) IN INVENTORIES			
Inventories at the end of the year			
Work-in-Process	435.23		422.54
Finished Goods	4,601.33		4,678.78
		5,036.56	5,101.32
Inventories at the beginning of the year			
Work-in-Process	422.54		176.97
Finished Goods	4,678.78		5,924.83
		5,101.32	6,101.80
Total		64.76	1,000.48
SCHEDULE R			
PERSONNEL EXPENSES			
Salaries, Wages and Bonus		1,538.90	1,841.79
Contribution to Provident and Other Funds		132.27	167.13
Gratuity Expense (Refer Note No.10 in Schedule U)		21.03	37.43
Workmen and Staff Welfare Expenses		78.47	118.89
Total		1,770.67	2,165.24
SCHEDULE S: OPERATING AND OTHER EXPENSES			
Power and Fuel		108.88	94.98
Repairs			
Buildings	10.32		15.38
Machinery	5.16		75.38
Others	65.25		66.89
		80.73	157.65
Rent (Refer Note No.11 in Schedule U)		418.94	409.01
Rates and Taxes		74.60	36.03
Insurance		22.43	30.77
Packing Material Consumed		626.67	449.47
Freight and Transport		43.36	303.47
Travelling and Conveyance		371.50	851.68
Communication Expenses		81.98	127.53
Printing and Stationery		24.83	34.10
Advertisement and Sales Promotion		66.16	324.91
Production and Farm Expenses		220.59	278.48
Provision for Bad and Doubtful Debts / Advances (Net)		254.56	191.74
Consignee Agents' Expenses		6.37	107.93
Legal and Consultancy Charges		170.26	449.49
Bad debts		2.48	13.69
Excess Interest Income written off		—	49.64
Assets written off		13.38	—
Loss on sale of Assets (Net)		4.35	17.33
Loss on Exchange fluctuations (Net)		41.66	—
Miscellaneous Expenses		490.43	319.01
Total		3,124.16	4,246.91

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT

	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
SCHEDULE T			
INTEREST AND OTHER FINANCIAL COSTS			
Interest on			
Term Loans		1,003.92	579.23
Others		702.59	1,160.94
Bank Charges		129.83	41.96
Cash and Advance Booking Discounts		572.05	385.77
Total		2,408.39	2,167.90

**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009**

SCHEDULE U

NOTES TO ACCOUNTS

1. Nature of operations

Advanta India Limited ('AIL' or 'the Company') is engaged in the business of research, production and sale of field crops and vegetable seeds through distributors to farmers.

2. Statement of Significant Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared to comply in all material respects in respects with the Notified accounting standard by Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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 upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

(d) Depreciation

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.

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)
Furniture and Fixtures	10%
Computers	20%
Vehicles	20%
Office Equipments	10%

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

(e) Impairment

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 the 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 at the weighted average cost of capital.

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

(f) Intangible Assets

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	10 years
Germ Plasm	10 years
Software	10 years
Trade Marks / Brands	10 years

Goodwill arising on acquisition of business is not amortised

(g) Research and Development

Research and Development expenditure is charged to revenue in the year in which it is incurred.

(h) Leases

Where the Company is the Lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term , capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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 Profit and Loss account on a straight-line basis over the lease term.

(i) Government Grants

Government Grants received in the nature of Investment Subsidy are treated as Capital Reserve.

(j) Investments

Investments that are readily realisable and intended to be held for not more than a year 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.

(k) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares	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 moving 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 standard cost 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.

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

(l) 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.

Sale of Goods

Revenue is recognized when significant risks and rewards of ownership of the goods have passed to the buyer which generally coincides with despatch of goods to the customer. The sales are net of sales return and expected sales return.

Income from Services

Revenues from services are recognized as and when the services are rendered.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognized even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of Schedule VI of the Companies Act, 1956.

(m) Foreign Exchange Translation

Foreign Currency Transaction

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 the settlement of monetary items or on reporting 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 except those arising from investments in non-integral operations.

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.

(n) Retirement and other Employee Benefits

- (i) Retirement benefits in the form of Provident Fund and Superannuation Fund are a defined contribution scheme and the contributions to the scheme are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts. The Superannuation Fund scheme is funded with an insurance company in the form of a qualifying insurance policy.
- (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.

**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009**

SCHEDULE U NOTES TO ACCOUNTS (Continued)

- (iii) Short term compensated absences are provided for on based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- (iv) Actuarial gains / losses are immediately taken to the profit and loss account and are not deferred.

(o) Income taxes

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. 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.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(p) Segment Reporting Policies

Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter Segment Transfer

The Company generally accounts for inter segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of Common Costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Items

The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

(q) 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.

(r) Provisions

A provision is recognised when an enterprise 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, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financials statements.

(s) Cash and Cash Equivalents

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

(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 amortized over the vesting period of the option on a straight line basis.

3. 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.
4. **Contingent Liabilities as at the Balance Sheet date:**
 - (i) Income tax matters under dispute:
 - a) Pending with authorities at various levels – Rs. 1,922.35 lacs (Previous Year : Rs. 1,577.54 lacs);
 - b) Estimated liability on the basis of past assessments in respect of pending assessments - Rs.160.72 lacs (Previous Year :Rs 380.79 lacs);
 - (ii) Claims against the Company not acknowledged as debts Rs.8,035.59 lacs. (Previous Year: Rs. 56.61 lacs).
Includes a claim of Rs.7,903.39 lacs made by a party which the Company has disputed and has filed a counter claim against the said party for an amount of Rs.2,739.07 lacs.
 - (iii) Guarantee is given by company on behalf of subsidiary companies Rs. 3,542.10 lacs. (Previous Year: Rs.750 lacs)
 - (iv) Guarantee given by company's banker on behalf of the company Rs. Nil (Previous Year : Rs.100 lacs)
5. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) Rs. 33.54 lacs (Previous Year: Rs. 97.91 lacs).
6. 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", as at 31st December, 2009.

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

7. Employees Stock Option Plan (ESOP)

The Company instituted an Employees Stock Option Scheme (“ESOPS”) for certain employees as approved by the shareholders on 20th September, 2006. In accordance with the scheme, the Company granted options in respect of 146,248 equity shares to employees of the Company and its subsidiaries on one to one basis at an exercise price of Rs.285/- 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 50% of the options granted is conditional upon the Company meeting annual performance benchmarks based on parameters set by the Remuneration Committee.

As the intrinsic value (difference between Market price and Exercise price) on the date of the grant was nil, no compensation cost has been recognised in the financial statement. During the year 35,715 options have vested.

Date of Grant	September 27, 2006
Date of Board Approval	September 13, 2006
Date of Shareholders Approval	September 20, 2006
Number of options granted	146,248
Method of Settlement (Cash / Equity)	Equity
Vesting Period	Spread over 4 years and 6 months
Exercise Period	10 years
Vesting Conditions	50% of the options granted is conditional upon the Company meeting annual performance benchmarks based on parameters set by the Remuneration Committee

The details of the activity have been summarized below:

	As at 31st December, 2009 (No. of equity shares)	As at 31st December, 2008 (No. of equity shares)
Outstanding at the beginning of the year	121,788	134,438
Granted during the year	4,028	19,140
Forfeited during the year	11,289	NIL
Exercised during the year	4,979	2,159
Vested during the year	35,715	30,210
Options vested and outstanding during the year	32,895	29,051
Expired during the year	503	NIL
Outstanding at the end of the year	78,812	121,788
Exercisable at the end of the year	58,284	28,051

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

Stock options granted:
The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Current Year	Previous Year
Weighted average share price (Rs. per share)	285	285
Exercise Price (Rs. per share)	285	285
Expected Volatility	43%	43%
Life of the options granted (Vesting and exercise period) in years	Vesting period + 18 months i.e. 3 years, 4 years, 5 years, and 6 years, for each Vesting tranche of 25%	Vesting period + 18 months i.e. 3 years, 4 years, 5 years, and 6 years, for each Vesting tranche of 25%
Expected Dividends	1.40% per annum	1.40% per annum
Average risk-free interest rate	7.50% per annum	7.50% per annum

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:

	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Net Profit/(Loss) as reported	(4,143.00)	856.94
<i>Add</i> : Employee stock compensation under intrinsic value method	—	—
<i>Less</i> : Employee stock compensation under fair value method	30.53	50.88
Proforma Profit/(Loss)	(4,173.53)	806.06
Earning per share (Rs.)		
Basic		
- as reported	(24.60)	5.09
- Proforma	(24.78)	4.79
Diluted		
- as reported	(24.37)	5.05
- Proforma	(24.55)	4.75

8. **Segment Information:**
- a. **Business Segment:**
The Company has considered Business segment as the primary segment for disclosure. The Company is engaged in research, production and distribution of Hybrid seeds, which in the context of Accounting Standards 17 issued by the Institute of Chartered Accountants of India is considered the only Business Segment.
- b. **Geographical Segment:**
Secondary segmental information is based on the geographical location of the customers. The geographical segment have been disclosed based on revenues within India (sales to customers in India) and revenues outside India (sales to customer located outside India.)

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

Information about Secondary Geographical Segments

Particulars	India (Rs in lacs)	Outside India (Rs in lacs)	Unallocated (Rs in lacs)	Total Rupees
Revenue	7,989.01	2,248.29	–	10,237.30
	(12,269. 91)	(392.65)	–	(12,662.56)
Carrying amount of segment assets (excluding Deferred Tax Asset)	19,689.65	11.95	41,658.50	61,486.18
	(20,442.71)	(56.04)	(41,601.50)	(62,156.29)
Additions to fixed assets including capital work-in-progress	280.87	–	–	280.87
	(481.50)	–	–	(481.50)

Note: Figures in brackets represents amounts pertaining to the previous year.

9. 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 Holdings B.V.	Netherlands
Advanta Finance B.V.	Netherlands
Advanta International B.V.	Netherlands
Pacific Seeds (Thai) Limited	Thailand
Pacific Seeds Holdings (Thai) Limited	Thailand
Pacific Seeds Pty. Limited	Australia
Advanta Semillas SAIC	Argentina
Advanta Seeds International	Mauritius
Longreach Plant Breeders Management Pty. Limited	Australia
Advanta Comercio De Sementas LTDA	Brazil
PT Advanta Indonesia	Indonesia
Advanta US Inc	USA
Unicorn Seeds Private Limited	India
Advanta Seeds Limited	India

b. Names of other related parties with whom transactions have taken place during the year:

Enterprises having Significant Influence

United Phosphorous Limited
Uniphos Enterprises Limited
Jai Research Foundation

Key Managerial Personnel

Mr. V. R. Kaundinya – Managing Director

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

c. Transactions with related parties during the year and balances at year end:

A. United Phosphorus Limited

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Purchase of Goods	34.98	42.89
Sale of Goods	8,710.99	2,428.82
Advance Booking Discounts	561.46	—
Reimbursement of expenses made	93.03	57.78
Reimbursement of expenses received	591.06	—
Loan received	12,600.00	15,679.00
Loan repaid	14,263.41	13,825.95
Interest Expense	173.05	814.20
Balance as on the Balance Sheet date:		
Interest Payable	18.80	879.37
Loan Payable	1,189.65	2,853.05
Commercial Paper	2,000.00	—
Receivable	1,371.50	78.00
Current Liabilities	297.75	—

B. Advanta Netherlands Holdings BV

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Balance as on the Balance Sheet date:		
Current Liabilities	77.78	79.06

C. Advanta Semillas SAIC, Argentina

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Reimbursement of expenses	44.76	35.94
Purchase of goods	7.01	—
Balance as on the Balance Sheet date:		
Current Assets	43.35	—
Current Liabilities	7.01	—

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

D. Pacific Seeds Pty Ltd., Australia

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Reimbursement of expenses received	145.89	177.42
Miscellaneous Expenses	6.23	—
Sales/(Returns)	0.45	—
Writebacks	103.91	—
Purchase of Capital Goods	—	13.09
Purchase of Goods	—	53.57
Balance as on the Balance Sheet date:		
Current Assets	144.99	—
Current Liabilities	22.38	74.49

E. Pacific Seeds (Thai) Limited

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Reimbursement of expenses made	5.51	31.00
Sales	1,913.86	245.39
Purchases	—	34.70
Balance as on the Balance Sheet date:	—	—

F. Pacific Seeds Holdings (Thai) Limited

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Balance as on the Balance Sheet date:		
Current Liabilities	4.19	4.21

G. Advanta Seeds International

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Sales	142.26	78.09
Dividend Income	484.65	498.49
Reimbursement of expenses made	4.19	0.10
Balance as on the Balance Sheet date:		
Current Liabilities	—	—
Dividend receivable	232.68	—
Receivable	—	32.78

**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009**

SCHEDULE U NOTES TO ACCOUNTS (Continued)

H. Uniphos Enterprises Limited

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Reimbursement of Expenses	–	0.79
Rent Expenses	–	105.00
Balance as on the Balance Sheet date: Current Liabilities	157.4	160.61

I. Jai Research Foundation

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Reimbursement of Expenses	17.17	24.77
Lease Rent	3.28	3.73
Balance as on the Balance Sheet date: Current Assets	85.00	85.00
Current Liabilities	41.22	21.80

J. Advanta US Inc

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Reimbursement of Expenses received	11.67	68.81
Balance as on the Balance Sheet date: Loans and Advances	–	68.81

K. Unicorn Seeds Private Limited

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Sales	181.73	124.02
Purchases	184.86	98.04
Reimbursement of Expenses received	0.14	–
Dividend Received	0.75	0.56
Loan Given	1,100.00	1,100.00
Loan Received	–	1,100.00
Advance Given	4,100.00	–
Advance Repaid	4,067.84	–
Balance as on the Balance Sheet date: Loans	1,100.00	–
Current Assets	40.25	142.72
Current Liabilities	257.47	–

**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009**

SCHEDULE U NOTES TO ACCOUNTS (Continued)

L. Advanta Seeds Limited

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Reimbursement of Expenses received	0.05	1.81
Balance as on the Balance Sheet date:		
Loans and Advances	–	1.81
Current Liabilities	1.95	–

M. Advanta Holdings B V

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Buy Back of Equity Shares	–	16,799.91
Investment in Preference Shares	–	19,383.76
Balance as on the Balance Sheet date:	–	–

N. Key Managerial Personnel and their relatives

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Remuneration	137.82	110.61

10. Details of Employee Benefits – Gratuity

(i) Defined Benefit Plans

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 salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

Profit and Loss account

	F 2009 (Rs. in lacs)	F 2008 (Rs. in lacs)	F 2007 (Rs. in lacs)
Net employee benefit expenses (recognized in Employee Cost)			
Current service cost	27.25	24.00	18.23
Interest cost on benefit obligation	10.01	7.82	5.59
Expected return on plan assets	(2.49)	(1.61)	(2.18)
Net actuarial loss/(gain) recognised during the year	(13.74)	7.22	24.91
Net Benefit expense	21.03	37.43	46.55
Actual return on plan assets	–	1.39	4.25

Balance Sheet

	F 2009 (Rs. in lacs)	F 2008 (Rs. in lacs)	F 2007 (Rs. in lacs)
Details of Provision for gratuity			
Defined Benefit obligation	112.55	104.42	81.99
Fair value of plan assets	(24.67)	(13.39)	(10.98)
Plan Liability	87.88	91.03	71.01

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

Changes in the present value of the defined benefit obligation are as follows:

	F 2009 (Rs in lacs)	F 2008 (Rs in lacs)	F 2007 (Rs in lacs)
Opening defined benefit obligation	104.42	81.99	69.73
Interest Cost	10.01	7.82	5.59
Current service cost	27.25	24.00	18.23
Benefits paid	(12.90)	(16.39)	(38.54)
Actuarial (gains)/loss on obligation	(16.23)	7.00	26.98
Closing defined benefit obligation	112.55	104.42	81.99

Changes in the fair value of Plan Assets are as follows:

	F 2009 (Rs. in lacs)	F 2008 (Rs. in lacs)	F 2007 (Rs. in lacs)
Opening fair value of plan assets	13.39	10.98	44.39
Expected return	2.49	1.61	2.18
Contributions made by employer during the Year	24.18	17.41	0.88
Benefits paid	(12.90)	(16.39)	(38.54)
Actuarial (gains)/loss	(2.49)	(0.22)	2.07
Closing fair value of plan assets	24.67	13.39	10.98

	Rs. in lacs
Expected contribution to defined benefit plan for the year 2010	25.24

The major categories of plan assets as a percentage of fair value of total plan assets are as follows:

	F 2009	F 2008	F 2007
Insurer Managed Funds (LIC)	100%	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.

	F 2009	F 2008	F 2007
Discount rate	8.25%	8.00%	8.00%
Expected rate of return on plan assets	8.00%	8.00%	8.00%
Expected rate of salary increase	6.00%	6.00%	6.00%
Employee Turnover	2.00%	2.00%	2.00%
Mortality table	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate

Experience adjustment for current year for gratuity:

	Current Year	Previous Year
On plan assets loss / (gain)	(13.09)	7.00
On plan liabilities gain / (loss)	(2.49)	(0.22)

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

Notes

- 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.
- The disclosure in respect of status of defined benefits obligation have been given for the current year and the two previous years since the Company has adopted AS 15 (Revised) in the year F 2007 year.

(ii) Defined Contribution Plans

Amount of Rs.132.27 lacs (Previous Year: Rs.167.13 lacs) is recognised as an expense and included in Schedule R – ‘Contribution to Provident and Other Funds’ in the Profit and Loss account.

11. Leases:

Operating Lease

Office Premises are obtained on Operating lease. The lease term is in the range of 3 years to 30 years and thereafter renewable. 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 Rs. 418.94 lacs. (Previous Year: Rs. 409.01 lacs).

Particulars	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
Lease Payments		
Not later than one year	179.65	193.75
Later than one year and not later than five years	275.53	434.43
More than five years	180.26	154.09

12. During the current year, the Company has changed its basis of claiming agricultural income exempt under the Income Tax Act, 1961 while filing the return of income for the year ended March 31, 2009. Accordingly, the provision for tax for the current year has been computed as per the revised basis. Further, provision for the year ended December 31, 2008 has been recomputed as per the revised basis of claiming the agricultural income exempt under the Income Tax Act, 1961. As a result of this, (excess) / short provision of taxation for earlier year is as under :

Sr. No.	Particulars	Amount Rs. in lacs
1	Current Tax	350.00
2	MAT Credit reversal	56.68
3	Deferred Tax	(602.57)
	Net (excess)/Short provision for taxation for earlier year	(195.89)

13. Earnings Per Share:

(A) Basic Earning Per Share:

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Net Profit attributable to equity shareholders	(4,143.00)	856.94
Weighted Average Number of Equity Shares outstanding	16,839,128	16,834,866
Basic Earning per share (Rs.):	(24.60)	5.09
Nominal value of equity shares (Rs.)	10.00	10.00

**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009**

SCHEDULE U NOTES TO ACCOUNTS (Continued)

(B) Diluted Earning Per Share:

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Net Profit	(4,143.00)	856.94
Weighted Average Number of Equity Shares outstanding	16,839,128	16,834,866
Dilutive impact of employee stock options	160,862	137,937
Weighted Average Number of Equity Shares for computing diluted earning per share	1,69,99,990	16,972,803
Diluted Earning per share (Rs.)	(24.37)	5.05
Nominal value of equity shares (Rs.)	10.00	10.00

Basic and Diluted earnings per share are calculated by dividing the net profit for the Year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

- 14. Research and Development Expenses :**
a) Revenue Rs. 992.32 lacs (Previous Year: Rs. 1,048.27 lacs)
b) Capital Rs. 189.94 lacs (Previous Year: Rs. 83.27 lacs)

15. Particulars of Un-hedged Foreign Currency Exposure as at the Balance Sheet date:

Particulars	Currency	As at 31st December, 2009 (in lacs)	As at 31st December, 2008 (in lacs)
Secured Loan	USD	–	34.19
Investments	USD	0.99	–
	Euro	601.45	296.12
Exports Debtors	USD	0.25	1.32
Other Receivables	USD	4.03	2.56
Dividend Receivables	USD	5.00	–
Import Creditors	Euro	1.68	1.16
	USD	1.78	3.32
	AUD	0.39	0.39
	Thai Bahts	3.00	3.00

- 16. In accordance with the Accounting Standard 26 issued by ICAI, the following information relates to Intangible assets.**

Description of Assets	Current Year		Previous Year	
	Carrying amount of assets (Rs. in lacs)	Remaining amortization years	Carrying amount of assets (Rs. in lacs)	Remaining amortization years
Technical Knowhow	362.50	6 years	420.50	7 years
Technology License Fees	7.47	1 year	13.87	2 years
Germ Plasm	641.00	8 years	722.55	9 years
Software	114.55	8 years	128.16	9 years
Trade Marks / Brands	4,208.41	8 years	4,788.88	9 years

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009

SCHEDULE U NOTES TO ACCOUNTS (Continued)

17. Supplementary Statutory Information:

17.1 Director's Remuneration:

	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Salary	115.12	89.35
Perquisites	1.64	1.96
Contribution to Retirement Benefits	21.06	19.30
Total	137.82	110.61

- a. Managerial Remuneration as above does not include Leave encashment and Gratuity benefit, since the same is computed actuarially for all the employees and the amount attributable to the Managerial person cannot be ascertained separately.
- b. The remuneration to the Managing Director for the year ended 31st December 2008 and 31st December 2009 have exceeded the limit prescribed under the Companies Act, 1956. The Company had filed an application with the Central Government for approval of the remuneration to be paid to the Managing Director in excess of the limits prescribed by the Companies Act. The excess remuneration paid to the Managing Director for the year ended December 31, 2008 amounts to Rs. 62.61 lacs and for the year ended December 31, 2009 amounts to Rs. 74.76 lacs.

17.2 Auditors' Remuneration (included under Legal and Consultancy Charges):

	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Audit fees	18.00	18.00
Fee for Certification	0.57	0.28
Taxation Matters	0.75	1.25
Others	5.70	13.49
Total	25.02	33.02

Note:

Audit fees include fees for auditing consolidated financial statements amounting to Rs.6.00 lacs (Previous Year: Rs.6.00 lacs).

17.3 Licensed and Installed Capacity per annum

	Current Year	Previous Year
Licensed Capacity	Not Applicable*	Not Applicable*
Installed Capacity	Not Applicable*	Not Applicable*

* Since agricultural produce

17.4 Actual Production

	Current Year MT	Previous Year MT
Basic Seeds	137.03	196.75
Hybrid Seeds	10,198.53	6,717.92

**SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009**

SCHEDULE U NOTES TO ACCOUNTS (Continued)

17.5 Particulars in respect of Stocks

	Particulars	Current Year		Previous Year	
		MT	Amount (Rs. in lacs)	MT	Amount (Rs. in lacs)
(i)	Sales Hybrid Seeds	7,473.73	10,237.30	9,752.03	12,662.56
(ii)	Purchases Hybrid Seeds	1,089.45	1,887.89	767.49	2,448.09
	Basic Seeds	78.33	182.48	6.86	6.99
(iii)	Opening Stock Hybrid seeds	3,235.52	3,389.38	7,581.81	4,956.68
	Basic Seeds	294.16	1,289.40	221.13	968.15
(iv)	Closing Stock Hybrid Seeds	4,397.84	3,212.80	3,235.52	3,389.38
	Basic Seeds	420.20	1,388.53	294.16	1,289.40

Note: Closing Stock quantities are after adjustment of samples, damaged, and obsolete stocks and includes substandard not sold.

17.6 Consumption of Raw Seeds

Particulars	Current Year		Previous Year	
	MT	Amount (Rs. in lacs)	MT	Amount (Rs. in lacs)
Raw Seeds Consumed	9,677.39	2,567.11	6,929.59	1,071.76

17.7 Consumption of Raw Materials, Components and Spare Parts:

Particulars	Current Year		Previous Year	
	(Rs. in lacs)	Percentage	(Rs. in lacs)	Percentage
A. Raw Seed consumed All Indigenous	2,567.11	100	1,071.76	100

17.8 Value of imports on C.I.F. basis:

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Consumables	4.30	3.56
Capital Expenditure	124.25	13.10
Purchase of Seeds	644.55	820.55

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009
SCHEDULE U NOTES TO ACCOUNTS (Continued)

17.9 Expenditure in Foreign Currency (on accrual basis):

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Travel	17.41	81.03
Legal and Professional Charges	1.48	221.98
Other Expenses	36.51	20.23

17.10 Earnings in Foreign Exchange (on accrual basis):

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Value of exports of goods on F.O.B. value	2,248.29	392.65
Dividend	484.65	498.49

18. Previous year’s figures have been regrouped where necessary to conform to this year’s classification.

As per our Report of even date

For and on behalf of the Board of Advanta India Limited.

For S. R. BATLIBOI & ASSOCIATES
Chartered Accountants

per Sudhir Soni
Partner
Membership No.: 41870

Vikram R. Shroff
Director

V. R. Kaundinya
Managing Director

Manoj Gupta
Chief Financial Officer

H. K. Agarwal
Company Secretary

Place: Mumbai
Date : February 25, 2010

Place: Mumbai
Date : February 25, 2010

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

063664

State Code

01

Balance Sheet Date

31-12-09

II. Capital raised during the year (Amount in Rs. Thousands)

Public issue

NIL

Rights issue

NIL

Bonus issue

NIL

Private Placement*

NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities

5495009

Total Assets

5495009

Sources of Funds

Paid up Capital *

168416

Reserves&Surplus

3799108

Secured Loans

258520

Unsecured Loans

1268965

Deferred Tax – Net

Application of Funds

Net Fixed Assets

711399

Investments

4165851

Net Current Assets

617759

Misc.Expenditure

NIL

Accumulated Losses

NIL

IV. Performance of Company (Amount in Rs.Thousands)

Turnover

1100825

Total Expenditure

1532230

+/-

+

Prior Period Expenditure

1414

+/-

=

Profit/Loss before Tax

(-)432819

Profit/Loss after Tax

(-)414300

Earnings per Share including
Exceptional Income

(-)24.60

Earnings per Share excluding
Exceptional Income

(-)24.60

Dividend rate%

10

On weighted average
Number of Shares

On weighted average
Number of Shares

V. Generic Names of Principal Products/Services of Company (Not Applicable)

Item Code No. (ITC CODE)

12-06

Product Description

SUNFLOWER SEEDS

Item Code No. (ITC CODE)

10-05

Product Description

MAIZE SEEDS

Item Code No. (ITC CODE)

10-06

Product Description

RICE SEEDS

For and on behalf of the Board of Advanta India Limited

Vikram R. Shroff Director	V. R. Kaundinya Managing Director	Manoj Gupta Chief Financial Officer	H. K. Agarwal Company Secretary
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Place: Mumbai
Date: February 25, 2010

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Statement Pursuant to Section 212 of the Companies Act, 1956, related to Subsidiary Companies for the Year ended 31 December, 2009

Sr. No.	Particulars	Financial Year	Share Holding		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 with in the accounts of the Company:		Change in the holding Company's interest in the subsidiaries between the end of the financial year of the subsidiary and the end of the holding Company's financial year.	Material changes which have occurred between the end of the aforesaid financial year of the subsidiaries and the end of the holding Company's financial year in respect:
			Number of Shares	%	Financial Year Ended on 31 st December, 2009 (Rs. in lacs)	Previous Year (Rs. in lacs)		
1.	Advanta Holdings B.V.	12/31/2009	3,053	100	(1,112.84)	(2,631.73)	Not applicable as financial year coincides with that of the holding Company	As the financial year of both holding and subsidiary companies coincides, there are no particulars to furnish.
2.	Advanta Netherlands Holdings B.V.	12/31/2009	180	100	678.44	1,727.65	- do -	- do -
3.	Advanta International B.V.	12/31/2009	180	100	(245.46)	(96.65)	- do -	- do -
4.	Advanta Finance B.V.	12/31/2009	180	100	(9.50)	(6.93)	- do -	- do -
5.	Advanta Semillas SAIC	12/31/2009	17,469,633	100	734.37	1,094.75	- do -	- do -
6.	Longreach Plant Breeders Management Ltd., Australia	12/31/2009	84,093	70	(616.66)	(388.23)	- do -	- do -
7.	Pacific Seeds Pty. Limited, Australia	12/31/2009	5,000,000	100	68.59	1,494.05	- do -	- do -
8.	Pacific Seeds (Thai) Limited	12/31/2009	299,993	100	1,308.01	1,276.33	- do -	- do -
9.	Pacific Seeds Holding (Thailand) Limited, Thailand	12/31/2009	993	100	(512.34)	(453.77)	- do -	- do -
10.	Advanta Seed International, Mauritius	12/31/2009	2	100	5,892.61	1,584.46	- do -	- do -
11.	Unicorn Seeds Pvt. Ltd.	12/31/2009	611,007	100	257.11	258.01	- do -	- do -
12.	Advanta US Inc.	12/31/2009	1000	100	217.08	560.79	- do -	- do -
13.	Advanta Seeds USA, LLC	12/31/2009	—	100	—	(182.36)	- do -	- do -
14.	Advanta Seeds Ltd.	12/31/2009	49,994	100	(0.10)	(2.65)	- do -	- do -
15.	PT Advanta Seeds Indonesia	12/31/2009	100,000	100	(0.48)	—	- do -	- do -
16.	Advanta Comercio De Sementes LTDA	12/31/2009	10,000	100	(42.64)	—	- do -	- do -

For and on behalf of the Board of Advanta India Limited

Ram V. Kaundinya
Managing Director

Vikram R. Shroff
Director

Manoj Gupta
Chief Financial Officer

H. K. Agarwal
Company Secretary

AUDITORS' REPORT

**The Board of Directors
Advanta India Limited**

1. We have audited the attached consolidated balance sheet of the Advanta Group as at December 31, 2009, and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Advanta India Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs.229,095.31 lacs as at 31st December 2009, the total revenue of Rs.66,863.85 lacs and the cash outflows amounting to Rs.2,876.00 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
4. We report that the consolidated financial statements have been prepared by the Advanta India Limited's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).
5. Without qualifying our opinion we draw attention to Note No. 10 of Schedule 21 of the financial statements, the remuneration paid to the Managing Director of Advanta India Limited is in excess of the limits specified in Schedule XIII of the Companies Act, 1956 by Rs.137.37 lacs for which steps are being taken by Advanta India Limited to obtain Central Government approval. Pending, final outcome of the Company's application, no adjustments has been made to the financial statements.
6. *As indicated in Note No. 11 of Schedule 21, the Group had, recognized deferred tax asset aggregating Rs.718.67 lacs on the unused tax losses in the consolidated financial statements for the year ended December 31, 2008. During the year ended December 31, 2009, the Group has further recognized deferred tax asset of Rs.1,152.90 lacs in the profit and loss account. There is no virtual certainty to indicate that it is probable that the said companies will have sufficient taxable profit against which such unused tax losses can be utilized. As a result of above, the consolidated profit after taxation for the year ended December 31, 2009 are higher by Rs.1,152.90 lacs (Previous Year: higher by Rs.530.90 lacs) and deferred tax assets and reserves and surplus as at December 31, 2009 are higher by Rs.1,848.20 lacs (Previous Year: higher by Rs. 718.67 lacs). (Refer Note No. 11 of Schedule 21). Our audit report on the consolidated financial statements for the previous year was also modified in respect of the above matter.*
7. *Consolidated Segment Information has not been given in the Consolidated Financial Statements as required by Accounting Standard (AS) 17 "Segment Reporting" for reasons explained in Note No. 16 of Schedule 21. The said disclosure does not have any impact on the profit for the year and the reserves and surplus as at December 31, 2009. Our audit report on the consolidated financial statements for the previous year was also modified in respect of the above matter.*
8. *Except for matters stated in paragraphs 6 and 7 above, based on our audit and on consideration of reports of 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, we are of the opinion that the attached consolidated financial statements, give a true and fair view in con-formity 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 India Limited Group as at 31st December 2009;
- (b) in the case of the consolidated profit and loss account, 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.

For **S.R.Batliboi & Associates**
Chartered Accountants

per **Sudhir Soni**
Partner
Membership No.: 41870

Place: Mumbai
Date: February 25, 2010

CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER, 2009

	Schedule	(Rs. in lacs)	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
I. SOURCES OF FUNDS				
1. Shareholders' Funds				
a) Capital	1	1,684.16		1,683.67
b) Share Application Money Pending Allotment		—		2.46
c) Reserves and Surplus	2	49,406.85		44,291.10
			51,091.01	45,977.23
2. Loan Funds				
a) Secured Loans	3	10,818.58		10,286.65
b) Unsecured Loans	4	36,286.12		32,381.88
			47,104.70	42,668.53
3. Minority Interest			112.50	83.58
4. Deferred Tax Liabilities (Refer Note No. 11 in Schedule 21)	5		523.39	1,296.51
Total			98,831.60	90,025.85
II. APPLICATION OF FUNDS				
1. Fixed Assets	6			
a) Gross Block		77,867.13		73,655.20
b) Less: Accumulated Depreciation/Amortisation		12,473.99		9,652.69
c) Net Block		65,393.14		64,002.51
d) Capital Work-in-Progress including capital advances		1,095.91		671.77
			66,489.05	64,674.28
2. Investments	7		50.55	50.55
3. Deferred Tax Assets (Refer Note No. 11 in Schedule 21)	5		3,415.08	2,127.83
4. Current Assets, Loans and Advances				
a) Inventories	8	26,198.65		19,635.89
b) Sundry Debtors	9	20,281.62		17,591.48
c) Cash and Bank Balances	10	3,356.43		6,340.08
d) Other Current Assets	11	87.19		490.75
e) Loans and Advances	12	8,840.34		4,396.81
		58,764.23		48,455.01
Less : Current Liabilities and Provisions	13			
a) Liabilities		25,720.25		18,639.69
b) Provisions		4,167.06		6,642.13
		29,887.31		25,281.82
Net Current Assets			28,876.92	23,173.19
Total			98,831.60	90,025.85
Notes to Consolidated Accounts	21			

The Schedules referred to above and Notes to accounts form an integral part of Balance Sheet.

As per our report of even date

For and on behalf of the Board of
Advanta India Limited

For S. R. BATLIBOI & ASSOCIATES
Chartered Accountants

Vikram R. Shroff
Director

V. R. Kaundinya
Managing Director

per Sudhir Soni
Partner
Membership No.: 41870

Manoj Gupta
Chief Financial Officer

H. K. Agarwal
Company Secretary

Place : Mumbai
Date: February 25, 2010

Place : Mumbai
Date: February 25, 2010

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2009

	Schedule	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
I. Income				
Sales		69,839.22		64,052.03
Less: VAT		3,577.59		3,273.23
Less: Rebates and Discounts		1,202.95		2,335.28
			65,058.68	58,443.52
Other Income from Operations	14		4,533.34	3,312.06
Other Income	15		242.02	580.50
			69,834.04	62,336.08
II. Expenditure				
Cost of goods manufactured	16	33,415.75		24,158.80
(Increase) / Decrease in stocks	17	(4,075.89)		(1,207.82)
Personnel Expenses	18	11,217.52		9,561.28
Operating and Other Expenses	19	18,932.61		17,892.09
Interest and Other Financial Costs	20	6,203.26		4,254.45
Depreciation / Amortisation		2,174.18		1,875.95
			67,867.43	56,534.75
III. Profit Before Taxation			1,966.61	5,801.33
Provision for Taxation:				
- Current Tax		952.61		968.88
- MAT Credit Entitlement		(110.34)		(56.68)
- Deferred Tax		(1,265.90)		(323.63)
- Fringe Benefits Tax		12.70		75.56
- Excess provision for taxation for earlier years (Refer Note No. 7 in Schedule 21)		(445.14)		(97.00)
			(856.07)	567.13
IV. Profit After Taxation			2,822.68	5,234.20
Add / (Less): Minority Interest			185.00	166.38
Add / (Less): Prior Period Adjustments - Others			(302.65)	(350.83)
NET PROFIT			2,705.03	5,049.75
Add: Surplus brought forward from Previous Year			13,891.51	9,163.77
V. Available Surplus			16,596.54	14,213.52
Appropriations				
Transfer to General Reserve		—		125.00
Proposed Preference Dividend		168.42		168.39
Dividend Distribution Tax		28.62		28.62
			197.04	322.01
Surplus carried to Balance Sheet			16,399.50	13,891.51
Consolidated Earning per Share:				
Basic			16.06	30.00
Diluted			15.91	29.75
Face Value Per Share (in Rs.)			10.00	10.00
(Refer Note No.12 in Schedule 21)				
Notes to Consolidated Accounts	21			

The Schedules referred to above and Notes to accounts form an integral part of Profit and Loss Account.

As per our report of even date

For and on behalf of the Board of
Advanta India Limited

For S. R. BATLIBOI & ASSOCIATES
Chartered Accountants

Vikram R. Shroff
Director

V. R. Kaundinya
Managing Director

per Sudhir Soni
Partner
Membership No.: 41870

Manoj Gupta
Chief Financial Officer

H. K. Agarwal
Company Secretary

Place : Mumbai
Date: February 25, 2010

Place : Mumbai
Date: February 25, 2010

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2009

		For the period ended 31st December, 2009		For the period ended 31st December, 2008	
		(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Profit Before Taxation		1,966.61		5,801.33
	Adjustments for :				
	Depreciation / Amortisation	2,174.18		1,875.95	
	Bad Debts	—		(23.96)	
	Loss/(Profit) on sale of Fixed Assets	(20.99)		(34.48)	
	Loss/(Profit) on sale Investment	—		(0.08)	
	Assets written off	13.38		—	
	Provision for Doubtful Debts & Advances	361.53		203.54	
	Provision for Litigation	338.36		(236.37)	
	Provisions written back	(276.24)		(91.71)	
	Interest received	(64.76)		(242.71)	
	Income from Current Investment	(0.55)		(18.06)	
	Interest paid	3,911.70		3,222.05	
	Exchange Difference on loans taken	1,137.63		319.52	
			7,574.24		4,973.69
	Operating Profit before working capital changes		9,540.85		10,775.02
	Adjustments for:				
	(Increase) / Decrease in Inventories	(6,562.76)		(2,212.46)	
	(Increase) / Decrease in Sundry Debtors	(3,051.67)		(2,102.77)	
	(Increase) / Decrease in Other Current Assets	406.19		(327.95)	
	(Increase) / Decrease in Loans and Advances	(3,930.41)		6,496.78	
	Increase / (Decrease) in Current Liabilities	7,735.12		4,260.37	
	Increase / (Decrease) in Provisions	(2,813.46)		229.28	
			(8,216.99)		6,343.25
	Cash generated from Operations		1,323.86		17,118.27
	Prior Period Adjustments (Other than Taxation)		(302.65)		(350.83)
	Direct taxes paid		(1,638.18)		(3,546.34)
	Net cash (used in) / from Operating Activities (A)		(616.97)		13,221.10
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of fixed assets and Intangible Assets		(2,859.74)		(4,787.46)
	Purchase of Investments on acquisition		—		(11,360.39)
	Sale of fixed assets		67.93		374.70
	Purchase of Investments		—		(0.02)
	Sale of Investments		—		0.07
	Maturity of Fixed Deposits		127.84		319.58
	Interest received		62.13		377.10
	Income from Current Investments		0.55		18.06
	Net Cash used in Investing Activities (B)		(2,601.29)		(15,058.36)
C	CASH FLOW FROM FINANCIAL ACTIVITIES				
	Proceeds from borrowings (Net)		28,717.32		34,381.45
	Repayment of borrowings		(25,418.78)		(23,889.79)
	Proceeds from Issue of equity shares		0.49		0.22
	Share Application Money received		(2.46)		2.46
	Share issue expenses		13.69		46.13
	Interest paid		(4,076.02)		(3,865.42)
	Dividend paid		(168.33)		(168.35)
	Tax on distributed Profits		(28.75)		(28.61)
	Net cash (used in) / from Financing Activities (C)		(962.84)		6,478.09
	Exchange Difference arising on conversion debited to Foreign Currency Translation Reserve) (D)		1,325.30		(3,684.76)
	Net increase in cash and cash equivalents (A+B+C+D)		(2,855.80)		956.07
	Cash and cash equivalents at the beginning of the period	6,659.66		5,625.71	
	Cash and cash equivalents on account of acquisition of business	—		77.88	
	Cash and cash equivalents at the beginning of the year		6,659.66		5,703.59
	Cash and cash equivalents at the end of the year		3,803.86		6,659.66

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2009

	For the period ended 31st December, 2009		For the period ended 31st December, 2008	
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Components of Cash and Cash Equivalents				
Cash on Hand		21.48		19.20
Bank Balances In India				
With Scheduled Banks				
In Current Accounts	160.84		210.34	
In Deposit Account	27.10		165.99	
		187.94		376.33
Bank Balances Outside India				
On Current Accounts	2,221.59		2,948.61	
On Deposit Accounts	925.42		2,990.94	
		3,147.01		5,939.55
Cheques on hand		—		5.00
		3,356.43		6,340.08
Less: Long term deposits considered in investing activities		447.43		319.58
Cash and Cash equivalents considered for cash flows		3,803.86		6,659.66
As per our report of even date				
For S. R. BATLIBOI & ASSOCIATES				
Chartered Accountants				
per Sudhir Soni				
Partner				
Membership No.: 41870				
Place : Mumbai				
Date: February 25, 2010				
For and on behalf of the Board of Advanta India Limited				
Vikram R. Shroff				
Director				
V. R. Kaundinya				
Managing Director				
Manoj Gupta				
Chief Financial Officer				
H. K. Agarwal				
Company Secretary				
Place : Mumbai				
Date: February 25, 2010				

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	(Rs. in lacs)	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE 1			
CAPITAL			
Authorised 75,000,000 (Previous Year: 20,000,000) Equity Shares of Rs. 10/- each		7,500.00	2,000.00
Issued, Subscribed and Paid-up 1,68,41,638 (Previous Year : 1,68,38,818) Equity Shares of Rs. 10/- each fully paid-up		1,684.16	1,683.67
Total		1,684.16	1,683.67
(For Stock Options outstanding details Refer Note No. 4 in Schedule 21)			
SCHEDULE 2			
RESERVES AND SURPLUS			
Capital Reserve:			
State Investment Subsidy		20.00	20.00
General Reserve:			
Balance as per last Balance Sheet	1,816.10		1,123.10
Add: Transferred from Profit and Loss Account	—		125.00
		1,816.10	1,816.10
Securities Premium:			
Balance as per last Balance Sheet	35,228.50		35,182.37
Add: Received during the year on issue of equity shares	13.69		5.94
		35,242.19	35,228.50
Revaluation Reserve			
Balance as per last Balance Sheet	—		—
Add: Arisen during the year	569.54		—
		569.54	—
Amalgamation Reserve			
Balance as per last Balance Sheet		717.21	717.21
Foreign Currency Translation Reserve			
Balance as per last Balance Sheet	(7,382.22)		(3,130.71)
Add: Arisen during the year	2,024.53		(4,251.51)
		(5,357.69)	(7,382.22)
Balance in Profit and Loss Account		16,399.50	13,891.51
Total		49,406.85	44,291.10

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	(Rs. in lacs)	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE 3			
SECURED LOANS			
From Banks			
On Cash Credit Account and Packing Credit Loan	7,818.05		9,051.27
On Working Capital Demand Loan	3,000.53		1,230.00
(Refer Note below)		10,818.58	10,281.27
Vehicle Loans		–	5.38
Total		10,818.58	10,286.65

The aforesaid loans 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 movables including book-debts, outstanding monies, receivables, both present and future.

SCHEDULE 4			
UNSECURED LOANS			
Term Loans			
From Bank		9,500.00	3,000.00
From Others		24,786.12	29,381.88
Commercial Paper		2,000.00	–
(Maximum amount outstanding during the year Rs. 2,000 (Previous Year: Nil))			
Total		36,286.12	32,381.88

Amount repayable within one year	6,500.00	2,853.05
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SCHEDULE 5			
DEFERRED TAX			
Deferred Tax Liabilities			
On account of depreciation / amortisation	264.71		1,031.10
Others	258.68		265.41
		523.39	1,296.51
Total		523.39	1,296.51
Deferred Tax Assets			
On provision for doubtful debtors and advances	102.30		176.60
On expenditure that is allowed on payment basis	807.38		609.31
Carry forward losses (Refer Note No. 11 in Schedule 21)	1,848.20		718.67
Unabsorbed depreciation	–		131.56
Others	657.20		491.69
		3,415.08	2,127.83
Total		3,415.08	2,127.83

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 6 : FIXED ASSETS

Description	Gross Block					Depreciation/Amortisation				Net Block	
	As at 1st January, 2009	Additions during the year	Foreign Exchange Adjustment	Deductions (Adjustments) during the year	As at 31st December, 2009	As at 1st January, 2009	Provided for the year	Deductions / (Adjustments) during the year	Foreign Exchange Adjustment	As at 31st December, 2009	As at 31st December, 2008
TANGIBLE:											
Land-Freehold**	1,729.19	569.54	310.71	—	2,609.44	—	—	—	—	2,609.44	1,729.19
Land-Leasehold	33.92	—	8.37	—	42.29	16.19	—	—	3.99	22.11	17.73
Buildings-Freehold	3,596.01	256.78	1.31	24.17	3,829.93	846.56	120.72	2.76	65.46	2,799.95	2,749.45
Plant and Machinery	8,035.81	650.85	831.87	54.24	9,464.29	4,812.53	608.23	51.45	539.20	3,555.78	3,223.28
Furniture and Fixtures	1,304.34	58.17	114.24	37.44	1,439.31	946.90	109.93	21.11	91.11	312.58	357.44
Motor Vehicles	1,011.71	12.31	52.26	147.68	928.60	708.54	112.86	127.89	39.02	196.07	303.17
Vehicles taken on lease	95.31	—	(4.27)	—	91.04	46.03	18.99	—	(2.06)	28.08	49.28
INTANGIBLE:											
Goodwill *	45,425.35	—	(104.92)	—	45,320.43	—	—	—	—	45,320.43	45,425.35
Technical Knowhow	1,095.35	—	—	—	1,095.35	674.85	58.00	—	—	362.50	420.50
Technology Licence Fees	567.92	129.62	(24.04)	—	673.50	52.10	68.27	—	(1.52)	554.65	515.82
Software	236.21	—	24.70	—	260.91	108.05	13.61	—	24.70	114.55	128.16
Germ Plasm	815.49	—	—	—	815.49	92.94	81.55	—	—	641.00	722.55
Project Sunsat (Development Cost)	2,194.69	1,327.87	(35.42)	—	3,487.14	98.24	248.08	—	(1.59)	3,142.41	2,096.45
Brands / Trade Marks *	7,506.59	—	295.84	—	7,802.43	1,249.09	780.24	—	45.15	5,727.95	6,257.50
NGSP Research	7.31	—	(0.33)	—	6.98	0.67	0.70	—	(0.03)	5.64	6.64
Total	73,655.20	3,005.14	1,470.32	263.53	77,867.13	9,652.69	2,221.08	203.21	803.43	65,393.14	64,002.51
Previous Year	59,504.94	13,873.85	627.79	680.83	73,655.20	7,687.02	1,903.34	340.61	277.94	9,952.89	
Capital Work-in-progress										1,095.91	671.77
Total										66,489.05	64,674.28

Notes:

* Goodwill represents the excess of consideration paid towards acquisition of subsidiaries over the net assets acquired, arising on consolidation of such subsidiaries.

Brands amounting to Rs. 6,304.71 lacs are still to be transferred in the name of the Company.

** Land in the subsidiary, Pacific Seeds Pty. Limited, Australia was revalued during the year ended December 2009 and as a result there is an increase of Rs.569.54 lacs (Previous Year: Nil) based on the Independent Valuation.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	(Rs. in lacs)	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE 7			
INVESTMENTS			
Unquoted Other than trade			
A. Long-Term - At cost			
Government Securities			
National Savings Certificate	0.44		0.44
Indira Vikas Patra	0.11		0.11
Equity shares of Old Irrigation Co-operative	0.42		0.34
Equity shares of East Kimberly Co-operative	0.30		0.32
	<u>1.27</u>		<u>1.21</u>
Less: Provision for dimunition in value of investments	<u>0.72</u>		<u>0.66</u>
		0.55	0.55
B. Other Investments			
500 (Previous Year: 500) Bonds of Rural Electrification Corporation of Rs. 10,000 /- each fully paid-up		50.00	50.00
Total		<u>50.55</u>	<u>50.55</u>
SCHEDULE 8			
INVENTORIES (at lower of cost and net realisable value)			
a) Stores and Spares and Consumables		406.80	264.56
b) Packing Materials		822.35	921.65
c) Raw Materials		2,524.77	3,222.74
d) Work - in - Process		4,113.47	2,851.03
e) Raw Seeds		734.83	232.13
f) Finished Goods		17,596.43	12,143.78
Total		<u>26,198.65</u>	<u>19,635.89</u>
SCHEDULE 9			
SUNDRY DEBTORS			
UNSECURED			
Considered good	20,281.62		17,591.48
Considered doubtful	<u>791.40</u>		<u>433.97</u>
		21,073.02	18,025.45
Less: Provision for Doubtful Debts		791.40	433.97
Total		<u>20,281.62</u>	<u>17,591.48</u>

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE 10		
CASH AND BANK BALANCES		
Cash on hand	21.48	19.20
Bank Balances in India		
With Scheduled Banks		
On Current Accounts	160.84	210.34
On Deposit Accounts	27.10	165.99
	187.94	376.33
Bank Balances Outside India		
On Current Accounts	2,221.59	2,948.61
On Deposit Accounts	925.42	2,990.94
	3,147.01	
Cheques on hand	—	5.00
Total	3,356.43	6,340.08
SCHEDULE 11		
OTHER CURRENT ASSETS		
Interest on loans and deposits	77.25	74.62
Other Current Assets	9.94	416.13
Total	87.19	490.75
SCHEDULE 12		
LOANS AND ADVANCES		
(Unsecured, Considered good, unless otherwise stated)		
Advances		
Advances Recoverable in cash or in kind or for value to be received		
Considered good	5,457.06	1,403.73
Considered doubtful	103.43	103.43
	5,560.49	1,507.16
Less: Provision for doubtful advances	103.43	103.43
	5,457.06	1,403.73
Deposits with Government, Public Bodies, Others etc;	873.92	996.84
Payment of Taxes less Provisions for taxation	2,401.56	1,939.56
MAT Credit Entitlement	107.80	56.68
Total	8,840.34	4,396.81

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	As at 31st December, 2009 (Rs. in lacs)	As at 31st December, 2008 (Rs. in lacs)
SCHEDULE 13		
CURRENT LIABILITIES AND PROVISIONS		
Liabilities		
Sundry Creditors	10,909.08	10,492.21
Advances from customers	2,569.06	1,530.12
Security Deposits	226.41	372.36
Unpaid Dividend	0.06	–
Interest accrued but not due on Loans	1,098.95	1,263.27
Other Liabilities	10,916.69	4,981.73
Total	25,720.25	18,639.69
Provisions		
For Employee Benefits	1,380.30	1,094.99
For Litigations	33.07	2,706.20
For Milestone Payments	2,556.52	2,643.80
Proposed Dividend	168.42	168.39
Dividend Distribution Tax	28.75	28.75
Total	4,167.06	6,642.13

SCHEDULE FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
SCHEDULE 14		
OTHER INCOME FROM OPERATIONS		
Business Development Fees	1,022.16	634.22
Sale of Remnants and Other Scrap	128.67	166.06
Royalty Received	1,726.67	1,081.68
Commission on Sales	5.69	207.79
Provisions written back	276.24	91.71
Bad debts written back (net)	–	23.96
Profit on sale of fixed assets (net)	20.99	34.48
Exchange difference (net)	57.17	226.59
Miscellaneous Income	1,295.75	845.57
Total	4,533.34	3,312.06

SCHEDULE FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
SCHEDULE 15			
OTHER INCOME			
Interest on loans and deposits etc.		64.76	242.71
Income from current investments (gross)		0.55	18.06
Profit on sale of investments (net)		—	0.08
Exchange difference (net)		118.45	305.11
Miscellaneous Income		58.26	14.54
Total		242.02	580.50
SCHEDULE 16			
COST OF GOODS MANUFACTURED			
Raw Material / seed consumed		15,610.99	13,506.95
Purchase of seeds		7,405.58	2,780.13
Seeds Processing charges and other charges		2,405.03	1,272.27
Land lease charges for seed production		5,328.33	4,394.64
Chemical and fertilizer consumed		977.82	733.46
Freight Inwards		1,688.00	1,471.35
Total		33,415.75	24,158.80
SCHEDULE 17			
(INCREASE) / DECREASE IN STOCK			
Opening Stock			
Work-in-process	2,415.02		1,297.04
Finished goods	12,918.79		11,950.18
		15,333.81	13,247.22
Closing Stock			
Work-in-process	3,462.29		2,267.93
Finished goods	15,947.41		12,187.11
		19,409.70	14,455.04
Total		(4,075.89)	(1,207.82)
SCHEDULE 18			
PERSONNEL EXPENSES			
Salaries, wages and bonus		10,134.89	8,713.62
Contribution to provident and other funds		595.09	535.70
Gratuity Expenses		222.92	42.44
Workmen and staff welfare expenses		264.62	269.52
Total		11,217.52	9,561.28

SCHEDULE FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
SCHEDULE 19			
OPERATING AND OTHER EXPENSES			
Stores and spares consumed		984.76	1,439.17
Power and fuel		433.18	410.24
Repairs			
Buildings	210.54		158.64
Machinery	233.17		245.95
Others	103.92		97.48
		547.63	502.07
Rent		1,669.53	1,129.27
Rates and taxes		410.10	241.65
Insurance		274.43	279.68
Commission		1,235.59	1,220.96
Packing, Freight and transport		1,879.67	1,628.43
Travelling and conveyance		1,790.55	2,595.51
Communication Expenses		356.18	355.97
Printing and stationery		139.72	142.96
Advertisement & sales promotion		945.99	1,360.20
Royalty		82.94	268.05
Production and farm expenses		422.87	467.87
Bad debts written off (net)		4.16	—
Excess interest written off		—	49.64
Provision for doubtful debts and advances		361.53	203.54
Provision for stock damages		173.25	427.05
Inventory written off		445.03	129.54
Provision for litigation		338.36	(236.37)
Consignee agents' expenses		6.37	107.93
Legal and consultancy charges		931.84	1,047.49
Asset written off		13.38	—
Miscellaneous expenses		5,485.55	4,121.24
Total		18,932.61	17,892.09
SCHEDULE 20			
INTEREST AND OTHER FINANCIAL CHARGES			
Interest on Loans and others		3,911.70	3,222.05
Bank charges		251.80	160.83
Exchange difference (net)		1,137.63	319.52
Cash and Advance Booking Discounts		902.13	552.05
Total		6,203.26	4,254.45

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 21

NOTES TO CONSOLIDATED ACCOUNTS

1. DESCRIPTION OF BUSINESS

Advanta India Limited (“the Holding Company”) 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 India Limited and its subsidiaries are hereinafter collectively referred to as ‘the Group’.

2. PRINCIPLES OF CONSOLIDATION

- (a) The Consolidated Financial Statements include accounts of Advanta India Limited (“the Holding Company”) and its subsidiaries. Subsidiaries are those companies in which Advanta India Limited, directly or indirectly, has an interest of more than one half of voting power or otherwise has power to exercise control over the composition of the Board of Directors. Subsidiaries are consolidated from the date on which effective control is transferred to the Group to the date such control exists.
- (b) The subsidiaries of the Holding Company considered in the consolidated financial information are as given below:

Sr. No.	Name of the Company	Relationship	Country of Incorporation	% of holding
1	Advanta Holdings BV	Subsidiary	Netherlands	100%
2	Advanta Netherlands Holdings BV	Subsidiary	Netherlands	100%
3	Advanta Finance BV	Subsidiary	Netherlands	100%
4	Advanta International BV	Subsidiary	Netherlands	100%
5	Pacific Seeds (Thai) Ltd.	Subsidiary	Thailand	100%
6	Pacific Seeds Holdings (Thailand) Limited	Subsidiary	Thailand	100%
7	Pacific Seeds Pty. Ltd.	Subsidiary	Australia	100%
8	Advanta Semillas SAIC	Subsidiary	Argentina	100%
9	Advanta Seed International	Subsidiary	Mauritius	100%
10	Longreach Plant Breeders Management Pty. Limited	Subsidiary	Australia	70%
11	Advanta US Inc.	Subsidiary	USA	100%
12	Unicorn Seeds Private Limited	Subsidiary	India	100%
13	Advanta Seeds Limited	Subsidiary	India	100%
14	PT Advanta Indonesia	Subsidiary	Indonesia	100%
15	Advanta Comercio De Sementes LTDA	Subsidiary	Brazil	100%

Notes:

- i) The ownership interest as given above has been calculated based on the effective interest of Advanta India Limited in the various subsidiaries including the investments made by its subsidiaries.
- ii) Pacific Seeds (Thai) Limited and Pacific Seeds Pty. Limited are wholly owned subsidiaries of Pacific Seeds Holdings (Thailand) Limited and Advanta Finance B.V. respectively as at December 31, 2009.
- iii) Advanta Semillas SAIC is 90% held by Advanta International B.V. and 10% held by Advanta Netherlands Holdings B.V. as at December 31, 2009.
- iv) 70% Holding of Longreach Plant Breeders Management Pty. Limited is held by Pacific Seeds Pty. Ltd as at December 31, 2009.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

- v) Advanta Finance B.V., Advanta International BV and Pacific Seeds Holdings (Thailand) Limited are wholly owned subsidiaries of Advanta Netherlands Holdings B.V. as at December 31, 2009.
- vi) Advanta Netherlands Holdings B.V. and Advanta US Inc are wholly owned subsidiaries of Advanta Holdings B.V. as at December 31, 2009.
- vii) Advanta Holdings B.V., Advanta Seed International, Unicorn Seeds Private Limited and Advanta Seeds Limited are wholly owned subsidiaries of Advanta India Limited as at December 31, 2009.
- viii) PT Advanta Indonesia is 99% held by Advanta India Limited and 1% held by Advanta Seed International Mauritius from March 02, 2009.
- ix) Advanta Comercio De Sementes LTDA. Wholly owned subsidiary of Advanta Holdings B.V. from June 05, 2009.
- (c) The Consolidated Financial Statements have been prepared in accordance with historical cost convention except for revaluation of land by a subsidiary company Pacific Seeds Pty Limited, Australia, and Accounting Standard 21 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.
- (d) The Consolidated Financial Statements have been prepared on the following basis:
 - i) All the subsidiaries of the Holding Company are incorporated outside India except Unicorn Seeds Private Limited and Advanta Seeds Limited. 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, 2009.
 - ii) All inter company transactions, balances and unrealized surpluses and deficits on transactions between group companies are eliminated.
 - iii) As far as possible, the consolidated financial statements have been 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 Holding Company's separate financial statements.
 - iv) 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, 2009.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting Assumptions

The Consolidated Financial Statements have been prepared on accrual basis as a going concern on historical cost convention except for revaluation of land by a subsidiary company Pacific Seeds Pty. Limited, Australia, to comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

(b) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Sale of Goods

The Group recognizes revenue 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 returns and expected sales returns.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

Income from Services

The Group recognizes revenue from services as and when the services are rendered.

Interest

The Group recognizes revenue on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

The Group recognizes revenue when the shareholders' right to receive payment is established by the balance sheet date.

Others

In case of subsidiaries engaged in development of hybrid seeds, revenue earned (net of returns) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from maintenance contracts are recognised pro-rata over the period of the contract as and when services are rendered.

In case of companies engaged in investing activities, revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(c) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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 upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(d) Government Grants

Government grants received by the Holding Company in the nature of Investment Subsidy are treated as Capital Reserve.

(e) Fixed Assets

Fixed assets are stated at cost (or revalued amounts as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

(f) Impairment

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 the 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 at the weighted average cost of capital.

On such indication, the impairment loss (being the excess of carrying value over the recoverable value of the asset) is charged to the profit and loss account in the respective financial year. The impairment loss recognised in the prior years is reversed where the recoverable value exceeds the carrying value of the asset upon re-assessment in the subsequent years.

(g) Intangible Assets

Costs relating to all the intangible assets, which are acquired, are capitalized and amortized on a straight-line basis over their useful lives not exceeding ten years.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

(h) Depreciation and amortisation

Depreciation

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 Indian Companies Act, 1956. Depreciation on other assets is provided using straight line method as per useful life of the assets estimated by the Management or at the rates prescribed under Schedule XIV of the Indian Companies Act, 1956 whichever is higher.

The estimated useful lives of these assets are as under:

Asset class	Estimated useful lives in years
Furniture and Fixtures	10
Computers	5
Motor Vehicles	5
Office Equipments	10

Improvements to Lease hold property are depreciated over the period of lease.

Foreign Subsidiary

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:

Asset class	Estimated useful lives in years
Buildings	4 – 50
Plant and Machinery	4 – 13
Furniture and Fixtures	5 – 10
Motor Vehicles	4 – 5
Computer	3 – 7

Unicorn Seeds Private Limited

Depreciation is provided on written down value method and the rates computed in accordance with Sec. 205(2)(b) of the Indian Companies Act, 1956 and in accordance with Schedule XIV of the Indian Companies Act, 1956.

Amortisation

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

Asset Class	Estimated useful lives in years
Technical Knowhow	10
Technology License Fees	10
Germ Plasm	10
Software	10
Trade Marks / Brands	10

Goodwill arising on acquisition of business is not amortised.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

(i) Goodwill

Goodwill represents excess of the cost to the parent of its investment in a subsidiary over the parent's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made. The goodwill is reviewed for impairment whenever events or changes in business circumstances indicate the carrying amount of assets may not be fully recoverable. If impairment is indicated, the goodwill is written down to its fair value.

(j) Leases

Where the Company is the Lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease item, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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 Profit and Loss account on a straight-line basis over the lease term.

(k) Investments

Investments that are readily realisable and intended to be held for not more than a year 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.

(l) Inventories

The method of valuation of various categories of inventories is as follows:

- (i) Store and Spares, Consumables and Packing material – At cost or below. Cost is determined by weighted average method. In case of Pacific Seeds Pty Ltd., packing materials are valued on a standard cost basis. These standards are reviewed regularly and adjusted for significant variances.
- (ii) Raw Materials – Lower of cost and net realisable value. Cost is determined on a weighted average basis. In case of Pacific Seeds Pty Ltd., raw materials, components, stores and spares are valued on a standard cost basis. These standards are reviewed regularly and adjusted for significant variances. In case of Advanta US INC and Unicorn Seeds Private Limited cost is determined on First in First out on specific identification basis.
- (iii) Work-in-progress and Finished Goods – Lower of cost and net realisable value. Work-in-progress comprises of cost of material 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 standard cost basis in the Holding Company and in respect of other subsidiaries the cost is determined on absorption costing basis.

- (iv) Traded goods are valued at lower of cost or net realisable value.

(m) Foreign Currency Transactions

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.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

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; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting 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 except those arising from investments in non-integral operations. Exchange differences arising in respect of fixed assets acquired from outside India before accounting period commencing on or after December 7, 2006 are capitalized as a part of fixed asset.

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.

Translation of Non-integral foreign operation

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 rate; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transactions; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

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.

(n) Research and Development

Research and Development expenditure is charged to revenue in the year in which it is incurred.

In case of subsidiaries involved in development of hybrid seeds, development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward will be amortised over the period of expected future sales from the related project.

(o) Retirement and other employee Benefits

- (i) Retirement benefits in the form of Provident Fund and Superannuation Fund are a defined contribution scheme and the contributions to the scheme are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts. The Superannuation Fund scheme is funded with an insurance company in the form of a qualifying insurance policy.
- (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) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- (iv) Actuarial gains / losses are immediately taken to the profit and loss account and are not deferred.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

(p) Derivative Instruments

Certain subsidiaries use derivative financial instruments such as forward exchange contracts to hedge their risks associated with foreign currency fluctuations. The premium on 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.

(q) Taxes on Income

Tax expense comprises of current, deferred and fringe benefit tax. Current Income tax and Fringe benefit tax is determined based on the amount of tax payable in respect of taxable income for the year as per the laws of the 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.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(r) Provisions

A provision is recognised when an enterprise 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, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financials statements.

(s) Cash and Cash Equivalents

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

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

(t) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4. Employees Stock Option Plan (ESOP)

The Company instituted an Employees Stock Option Scheme (“ESOPS”) for certain employees as approved by the shareholders on September 20, 2006. In accordance with the scheme, the Company granted options in respect of 146,248 equity shares to employees of the Company and its subsidiaries on one to one basis at an exercise price of Rs.285/- 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 50% of the options granted is conditional upon the Company meeting annual performance benchmarks based on parameters set by the Remuneration Committee.

As the intrinsic value (difference between Market price and Exercise price) on the date of the grant was nil, no compensation cost has been recognised in the financial statement. During the year 35,715 options have vested.

Date of Grant	September 27, 2006
Date of Board Approval	September 13, 2006
Date of Shareholders Approval	September 20, 2006
Number of options granted	146,248
Method of Settlement (Cash / Equity)	Equity
Vesting Period	Spread over 4 years and 6 months
Exercise Period	10 years
Vesting Conditions	50% of the options granted is conditional upon the Company meeting annual performance benchmarks based on parameters set by the Remuneration Committee

The Details of the activity have been summarised below:

	As at 31st December, 2009 (No. of equity shares)	As at 31st December, 2008 (No. of equity shares)
Outstanding at the beginning of the year	121,788	134,438
Granted during the year	4,028	19,140
Forfeited during the year	11,289	NIL
Exercised during the year	4,979	2,159
Vested during the year	35,715	30,210
Options vested and outstanding during the year	35,895	28,051
Expired during the year	503	NIL
Outstanding at the end of the year	78,812	121,788
Exercisable at the end of the year	58,284	28,051

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

Stock options granted:

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Current Year	Previous Year
Weighted average share price (Rs. per share)	285	285
Exercise Price (Rs. per share)	285	285
Expected Volatility	43%	43%
Life of the options granted (Vesting and exercise period) in years	Vesting period + 18 months i.e. 3 years, 4 years, 5 years, and 6 years, for each Vesting tranche of 25%	Vesting period + 18 months i.e. 3 years, 4 years, 5 years, and 6 years, for each Vesting tranche of 25%
Expected Dividends	1.40% per annum	1.40% per annum
Average risk-free interest rate	7.50% per annum	7.50% per annum

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:

	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Net Profit attributable to equity shareholders	2,705.03	5,049.75
Add – Employee stock compensation under intrinsic value method	–	–
Less – Employee stock compensation under fair value method	30.53	50.88
Proforma profit	2,674.50	4,998.87
Earning per share (Rs.)		
Basic		
– as reported	16.06	30.00
– Proforma	15.88	29.69
Diluted		
– as reported	15.91	29.75
– Proforma	15.73	29.45

5. Contingent Liabilities

- i) Income tax matters of the Holding Company under dispute:
 - a) Pending with authorities at various levels – Rs. 1,922.35 lacs (Previous Year: Rs. 1,577.54 lacs) and
 - b) Estimated liability on the basis of past assessments in respect of pending assessment year - Rs.160.72 lacs (Previous Year: Rs. 380.79 lacs)

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

- ii) Claims against the Holding Company not acknowledged as debts Rs. 8,518.23 lacs (Previous Year: Rs. 2,794.93 lacs).
- Includes a claim of Rs. 7,903.39 lacs made by a party which the Holding Company has disputed and has filed a counter claim against the said party for an amount of Rs. 2,739.07 lacs.
- iii) Guarantee given by the Holding Company's Bankers Rs. Nil (Previous Year: Rs. 100 lacs)
- iv) In case of Pacific Seeds Pty. Ltd., Australia, the aggregate maximum amount payable to growers providing expected seed quality – Rs. 3,052.12 lacs (Previous Year: Rs. 3,447.04 lacs)

6. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) – Rs. 64.80 lacs (Previous Year: Rs. 254.74 lacs)

7. (Excess) / Short provision for taxation for earlier years

Holding Company

During the current year, the Company has changed its basis of claiming agricultural income exempt under the Income Tax Act, 1961 while filing the return of income for the year ended March 31, 2009. Accordingly, the provision for tax for the current year has been computed as per the revised basis. Further, provision for the year ended December 31, 2008 has been recomputed as per the revised basis of claiming agricultural income exempt under the Income-tax Act, 1961. As a result of this, (excess) / short provision of taxation for earlier year is as under:

(Rs. in lacs)			
Sr. No.	Particulars	Current Year	Previous Year
1	Current Tax	350.00	—
2	MAT Credit reversal	56.68	—
3	Deferred Tax	(602.57)	—
4	Net (excess)/Short provision for taxation for earlier year	(195.89)	—

Subsidiaries

Sr. No	Particulars	Current Year	Previous Year
1	Current Tax	(136.59)	(97.00)
2	Deferred Tax	(112.66)	—
3	Net Excess provision for taxation for earlier year	(249.25)	(97.00)

8. 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.
9. The cost of raw materials, components, stores and spares and packing materials in case of Pacific Seeds Pty Ltd., Australia, is determined on a standard cost basis. These standards are reviewed regularly and adjusted for significant variances. In case of Advanta US Inc and Unicorn Seeds Private Limited cost is determined on a First-in-First-out or specific identification basis. The cost of raw materials, components, stores and spares and packing materials in case of other subsidiary companies of the group is determined on weighted average basis.

The cost of finished goods in the case of the Holding Company, is determined on a standard cost basis. These standards are reviewed regularly and adjusted for significant variances. In case of Advanta US Inc and Unicorn Seeds Private Limited cost is determined on a First-in-First-out or specific identification basis. The cost of finished goods in case of other subsidiary companies of the group 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, 2009, of the total value of raw materials, components, stores and spares and packing materials of Rs.4,488.75 lacs (Previous Year: Rs.4,641.08 lacs), cost of inventories amounting to Rs.698.41 lacs (Previous Year: Rs.785.85 lacs) have been determined on standard cost and Rs.1,759.56 lacs (Previous Year: Rs. 2,267.85 lacs) have been determined on First-in-First-out or specific identification basis, and of the total value of finished goods of Rs. 17,596.43 lacs (Previous Year: Rs.12,143.78 lacs) cost of inventories amounting to Rs.6,330.19 lacs (Previous Year: Rs.5,165.66 lacs) have been determined on standard cost basis.

10. The remuneration to the Managing Director of the Holding Company for the year ended December 31, 2008 and December 31, 2009 have exceeded the limit prescribed under the Companies Act, 1956. The Company had filed an application with the Central Government for approval of the remuneration to be paid to the Managing Director in excess of the limits prescribed by the Companies Act. The excess remuneration paid to the Managing Director for the year ended December 31, 2008 amounts to Rs.62.61 lacs and for the year ended to December 31, 2009 amounts to Rs.74.76 lacs.

11. Recognition of Deferred Tax Assets

- (a) In case of Pacific Seeds Holdings (Thailand) Limited, the said Subsidiary Company has recognised deferred tax assets on the unused tax losses totaling THB 42,391, thousand (Rs.592.20 lacs) (Previous Year: Rs.375.25 lacs) as on December 31, 2009 in the balance sheet and THB 15,675 thousand (Rs. 219.58 lacs) (Previous Year: Rs.194.47 lacs) in the profit and loss account for the year ended on December 31, 2009, since the management is of the opinion that the said unused losses can be utilised.
- (b) During the year in case of Longreach Plant Breeders Management Pty Limited, the said Subsidiary Company has recognised deferred tax assets on the unused tax losses totaling AUD 1,398 thousand (Rs.585.41 lacs) (Previous Year: Rs.234.29 lacs) as on December 31, 2009 in the balance sheet and AUD 700 thousand (Rs.264.28 lacs) (Previous Year: Rs.237.69 lacs) in the profit and loss account for the year ended on December 31, 2009, since the management is of the opinion that the said unused losses can be utilised.
- (c) During the year, in case of PT Advanta Seeds Indonesia , the said Subsidiary Company has recognised deferred tax assets on the unused tax losses totaling IDR 4,068 thousand (Rs.0.20 lacs) (Previous Year: Nil) as on December 31, 2009 in the balance sheet and IDR 4,068 thousand (Rs.0.19 lacs) (Previous Year: Nil) in the profit and loss account for the year ended on December 31, 2009, since the management is of the opinion that the said unused losses can be utilised.
- (d) During the year, in case of Advanta Comercio De Sementes Ltda, the said Subsidiary Company has recognised deferred tax assets on the unused tax losses totaling R\$ 87 thousand (Rs.23.18 lacs) (Previous Year: Nil) as on December 31, 2009 in the balance sheet and R\$ 87 thousand (Rs.21.97 lacs) (Previous Year: Nil) in the profit and loss account for the year ended on December 31, 2009, since the management is of the opinion that the said unused losses can be utilised.
- (e) During the year, in case of Pacific Seeds Pty Limited, the said Subsidiary Company has recognised deferred tax assets on the unused tax losses totaling AUD 303 thousand (Rs.126.81 lacs) (Previous Year: Nil) as on December 31, 2009 in the balance sheet and AUD 303 thousand (Rs.114.26 lacs) (Previous Year: Nil) in the profit and loss account for the year ended on December 31, 2009, since the management is of the opinion that the said unused losses can be utilised.
- (f) During the year, in case of Advanta Semillas, the said Subsidiary Company has recognised deferred tax assets on the unused tax losses totaling USD 1,118 thousand (Rs.520.40 lacs) (Previous Year: Nil) as on December 31, 2009 in the balance sheet and AUD 1,118 thousand (Rs.532.62 lacs) (Previous Year: Nil) in the profit and loss account for the year ended on December 31, 2009, since the management is of the opinion that the said unused losses can be utilised.

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

(g) During the year, in case of Advanta US Inc, the said Subsidiary Company has de-recognised deferred tax assets on the unused tax losses totaling USD 200 thousand (Rs.93.07 lacs) (Previous Year: Nil) as on December 31, 2009 in the balance sheet and USD 200 thousand (Rs.95.26 lacs) (Previous Year: Nil) in the profit and loss account for the year ended on December 31, 2009.

12. Consolidated Earning Per Share

(A) Basic Earning Per Share:

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Profit after taxation	2,822.68	5,234.20
Add : Minority Interest	185.00	166.38
(Less): Prior Period Adjustments – Others	(302.65)	(350.83)
Net Profit attributable to equity shareholders	2,705.03	5,049.75
Weighted Average Number of Equity Shares outstanding	16,839,127	16,834,866
Nominal value of equity shares – Rs.	10.00	10.00
Basic Earning per share – (Rs.)	16.06	30.00

(B) Diluted Earning Per Share:

Particulars	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Profit after taxation	2,822.68	5,234.20
Add : Minority Interest	185.00	166.38
(Less): Prior Period Adjustments – Others	(302.65)	(350.83)
Net Profit attributable to equity shareholders	2,705.03	5,049.75
Weighted Average Number of Equity Shares outstanding	16,839,127	16,834,866
Dilutive impact of employee stock options	160,862	137,937
Weighted Average Number of Equity Shares for computing diluted earning per share	16,999,990	16,972,803
Nominal value of equity shares – (Rs.)	10.00	10.00
Diluted Earning per share – (Rs.)	15.91	29.75

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

13. Leases

The lease term is in the range of 1 year to 30 years and thereafter renewable. 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 Rs.1,612.95 lacs (Previous Year: Rs.1,371.50 lacs). The minimum lease rents payable from the date of the Balance Sheet date in respect of certain subsidiaries on operating and finance leases are as follows:

	Particulars	As at 31st December, 2009 Rs. in Lacs	As at 31st December, 2008 Rs. in Lacs
(a)	Obligations in case of operating leases:		
	Not later than one year	1,471.09	1,252.70
	Later than one year and not later than five years	3,256.06	2,121.94
	More than five years	1,312.81	154.09
(b)	Obligations in case of finance leases:		
	Not later than one year	43.14	90.21
	Later than one year and not later than five years	2.25	47.03
	More than five years	—	—
	Total lease payments as at the end of the year	45.39	137.24
	Less: Amount representing finance charges	7.14	28.16
	Present value of minimum lease payments	38.25	109.08
	Lease payments for the year	77.18	60.88

14. Derivative instruments and un-hedged foreign currency exposure

a) Derivative instruments - Forward contracts outstanding as at the Balance Sheet date

Nature of contract	Purpose	As at 31st December, 2009 Amount in Lacs	As at 31st December, 2008 Amount in Lacs
Buy	Hedge of expected future purchase	AUD 45.14 USD 10.76	AUD 7.36 USD 9.70
Sell	Hedge of expected future sales	AUD 139.81 USD 22.77	AUD 405.76 USD 4.88

b) Particulars of un-hedged foreign currency exposure

Purpose	As at 31st December, 2009 Amount in Lacs		As at 31st December, 2008 Amount in Lacs	
Sundry Creditors	USD	2.04	USD	3.73
	Euro	1.68	Euro	1.16
	AUD	0.39	AUD	0.39
	THB	3.00	THB	3.00
Accrued Expenses	Euro	6.76	Euro	0.60
Interest Payable	Euro	35.35	Euro	16.19
Royalty Payable	USD	1.00	USD	0.93
Loans Payable	Euro	136.21	Euro	136.21
	–	–	USD	34.20
	AUD	70.48		–
Sundry Debtors	USD	3.65	USD	7.30
	Euro	0.09	Euro	0.38
Loans Receivable	AUD	90.89		–
	USD	87.59		–
	THB	375.00		–
Other Receivable	USD	4.03	USD	2.56
Interest receivable	USD	0.29		–
Dividend receivable	USD	5.00		–
Investments	USD	0.99		–
	Euro	601.45	Euro	601.45

15. Provisions

Particulars	Litigations		Milestone Payments	
	As at 31st December, 2009 Rs. in Lacs	As at 31st December, 2008 Rs. in Lacs	As at 31st December, 2009 Rs. in Lacs	As at 31st December, 2008 Rs. in Lacs
Opening Balance	2,706.20	2,402.22	2,643.80	2,728.50
Additions during the year	338.36	–	–	1,300.00
Amounts used during the year	(2,950.03)	–	(377.39)	(1,335.95)
Exchange difference on translation	(6,146.02)	(303.98)	(290.12)	(48.75)
Unused amounts reversed during the year	–	–	–	–
Closing Balance	33.07	2,706.20	2,556.52	2,643.80

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

16. Segment Information

Segment information has not been given as the management is of the view that the said information would be prejudicial to the interest of the group.

17. Research and Development

Particulars	As at 31st December, 2009 Rs. in Lacs	As at 31st December, 2008 Rs. in Lacs
Capital expenditure	324.59	231.16
Revenue expenditure	5,013.15	4,141.64

18. Related Party Transactions

I. Nature of Relationship

A. Enterprises over which the enterprise or key management personnel and their relatives have significant influence:

Sr. No.	Name of the Company
1	United Phosphorus Limited (UPL)
2	Bio-win Corporation Limited (BWC), Mauritius
3	United Phosphorus Limited Gibraltar (UPLG)
4	United Phosphorus Holdings BV. (UPH)
5	Nippon UPL KK (Nippon)
6	Reposo SAIC (Reposo)
7	Icona SAIC (Icona)
8	Uniphos Enterprises Limited (UEL)
9	Jai Research Foundation (JRF)
10	PT United Phosphorus Indonesia (UPI)

B. Key Management Personnel and their relatives

- Ram V. R. Kaundinya (Managing Director – Advanta India Limited)

Chris Bazley (CEO Director – Pacific Seeds Pty. Limited)

Norman Davey (CFO Director – Pacific Seeds Pty. Limited)

Tandra Coleman (Director appointed August 27, 2008 – Pacific Seeds Pty. Limited)

Jocelyn Davey (Relative of CFO Director – Pacific Seeds Pty. Limited)

Pacholk Pongpanich, Managing Director – Pacific Seeds (Thai) Limited

Yongyut Pansung, Director – Pacific Seeds (Thai) Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

II. Transactions during the year

Particulars	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
i) Sales of Goods Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPL UPI Nippon	 9,909.19 308.01 —	 2,428.82 — 122.25
ii) Royalty Income Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPH UPLG	 301.37 821.98	 — —
iii) Business Development Fees Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPLG	 1,022.16	 634.22
iv) Commission Received Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPL	 38.71	 226.95
v) Purchases of Goods Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPL	 34.98	 42.89
vi) Purchase of Services: Enterprise over which the enterprise or the key management personnel and their relatives have significant influence: Reposo SAIC UPI	 26.09 312.62	 308.56 —
vii) Purchase of Intangible Assets: Enterprise over which the enterprise or the key management personnel and their relatives have significant influence: UPLG	 325.75	 1,218.00
viii) Interest Expense Enterprises over which the enterprise or the key management personnel and their relatives have significant influence: BWC UPH UPL	 261.85 1,158.16 173.05	 812.94 121.92 849.64

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

Particulars	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
ix) Advance Booking Discounts Enterprises over which the enterprise or the key management personnel and their relatives have significant influence: UPL	587.18	–
x) Rent Expenses Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : JRF UEL	3.28 –	3.73 105.00
xi) Expenses incurred for Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPL JRF UEL UPLG	108.15 17.17 – 64.71	57.78 24.77 0.79 –
xii) Reimbursement of Expenses Received Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPL	591.06	–
xiii) Loan Taken Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPL Reposo Icona BWC UPH	12,600.00 139.03 1.84 – –	16,777.90 – – 26,234.21 22,000.82
xiv) Loan repaid during the year Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPL UPH BWC	15,363.41 – 1,552.62	13,825.95 3,860.19 25,883.54
xv) Loan payable Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : BWC UPL UPLH	5,413.55 1,189.65 17,847.86	6,717.09 3,953.05 18,140.63

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 21 (Contd.)

NOTES TO CONSOLIDATED ACCOUNTS

Particulars	Current Year Rs. in Lacs	Previous Year Rs. in Lacs
xvi) Commercial Paper Enterprises over which the enterprise or the key management personnel and their relatives have significant influence : UPL	2,000.00	—
xvii) Balance receivable by the Company JRF UPI UPLG UPL Nippon	85.00 301.50 742.63 1,975.76 —	85.00 — 1,342.96 108.56 94.70
xviii) Balance payable by the Company BWC JRF UPLG UPL UPLH Reposo UEL Icona	18.04 41.22 325.75 316.55 1,062.11 361.59 157.40 1.84	270.98 21.80 1,863.54 920.96 131.67 341.04 160.61 —
xix) Remuneration Key Management Personnel Relative of Key Management Personnel	527.46 96.24	486.74 70.38

19. Details of Employee Benefits – Gratuity

Defined Benefit Plans

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 salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

Profit and Loss account

Net employee benefit expenses (recognized in Employee Cost)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Current service cost	42.16	45.05
Interest cost on benefit obligation	31.22	27.15
Expected return on plan assets	(3.69)	(2.82)
Net actuarial loss/(gain) recognised during the year	153.22	(26.94)
Net Benefit expense	222.91	42.44
Actual return on plan assets	—	1.39

Balance Sheet

	As at 31st December, 2009 Rs. in lacs	As at 31st December, 2008 Rs. in lacs
Details of Provision for gratuity		
Defined Benefit obligation	548.10	343.69
Fair value of plan assets	(38.68)	(31.28)
Plan Liability	509.42	312.41

Changes in the present value of the defined benefit obligation are as follows:

Opening defined benefit obligation	343.69	305.28
Interest Cost	31.22	27.15
Current service cost	42.16	45.05
Liability transfer in	–	3.20
Exchange difference on translation	(1.73)	13.53
Benefits paid	(18.72)	(23.82)
Actuarial (gains)/loss on obligation	151.48	(26.70)
Closing defined benefit obligation	548.10	343.69

Changes in the fair value of Plan Assets are as follows:

Opening fair value of plan assets	31.28	29.81
Expected return	3.69	2.82
Contributions made by employer during the Year	24.17	17.41
Assets transfer in	–	4.81
Benefits paid	(18.72)	(23.82)
Actuarial (gains)/(loss)	(1.74)	0.25
Closing fair value of plan assets	38.68	31.28

	Rs. in lacs
Expected contribution to defined benefit plan for the year 2010	25.24

The major categories of plan assets as a percentage of fair value of total plan assets are as follows:

	As at 31st December, 2009	As at 31st December, 2008
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 (Expressed as weighted averages);

	As at 31st December, 2009	As at 31st December, 2008
Discount rate	7.08%	8.17%
Expected rate of return on plan assets	8.00%	8.00%
Expected rate of salary increase	5.33%	5.33%
Employee Turnover	2.00%	2.00%

Experience adjustments for current year for gratuity;

	Current Year Rs. in lacs	Previous Year Rs. in lacs
On plan assets loss / (gain)	10.91	50.54
On plan liabilities gain / (loss)	13.84	(6.53)

SIGNATURE TO SCHEDULES 1 TO 21

As per our Report of even date

For and on behalf of the Board of Advanta India Limited

For S. R. BATLIBOI & ASSOCIATES
Chartered Accountants

Vikram R. Shroff
Director

V. R. Kaundinya
Managing Director

per Sudhir Soni
Partner
Membership No.: 41870

Manoj Gupta
Chief Financial Officer

H. K. Agarwal
Company Secretary

Place : Mumbai
Date: February 25, 2010

Place : Mumbai
Date: February 25, 2010

Abridged Financial Information of Subsidiaries as at 31.12.2009

(INR in Lacs)

Sr. No.	Subsidiary	Location/ Country	Capital	Reserves	Total Assets	Total Liabilities	Details of Investment (except in investment in subsidiaries)	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation Exp / (Inc)	Profit / (Loss) After Taxation	Proposed Dividend
1	Advanta Finance BV	Netherlands	12.07	20,117.27	20,162.39	20,162.39	-	-	(11.88)	(2.38)	(9.50)	-
2	Advanta Holdings BV	Netherlands	20,069.34	11,498.39	70,242.34	70,242.34	-	-	(1,498.36)	(385.53)	(1,112.84)	-
3	Advanta International BV	Netherlands	12.07	(751.83)	5,895.04	5,895.04	-	-	(319.46)	(74.00)	(245.46)	-
4	Advanta Netherlands Holdings BV	Netherlands	12.07	42,023.39	49,932.32	49,932.32	-	87.91	1,189.17	222.23	678.44	-
5	Advanta US, Inc	USA	383.45	611.61	9,154.08	9,154.08	-	9,757.10	263.02	158.60	217.08	-
6	Pacific Seeds Holdings (Thai) Ltd.	Thailand	1.40	(2,348.08)	10,199.24	10,199.24	-	-	(731.92)	(219.58)	(512.34)	-
7	Pacific Seeds (Thai) Ltd.	Thailand	117.35	6,793.69	11,341.83	11,341.83	-	9,457.71	1,751.45	443.44	1,308.01	-
8	Advanta Seed International	Mauritius	0.00	7,600.78	10,238.74	10,238.74	-	8,839.81	6,565.86	196.98	5,892.61	476.28
9	Advanta Semillas S.A.I.C.	Argentina	6,331.43	(2,385.92)	11,713.99	11,713.99	-	11,774.45	126.11	(465.52)	734.37	-
10	Longreach Plant Breeders Management Pty. Ltd.	Australia	2,625.03	(2,044.72)	2,952.43	2,952.43	-	1.89	(880.95)	(264.29)	(616.66)	-
11	Pacific Seeds Pty. Ltd.	Australia	2,094.20	10,743.42	26,507.00	26,507.00	-	18,489.21	(77.01)	(151.85)	68.59	-
12	Unicorn Seeds Pvt. Ltd.	India	136.10	718.88	3,198.36	3,198.36	-	2,132.74	400.17	142.42	257.11	0.75
13	Advanta Seeds Ltd.	India	5.00	(2.75)	2.43	2.43	-	-	(0.10)	-	(0.10)	-
14	PT Advanta Seeds Indonesia	Indonesia	53.53	(0.51)	714.41	714.41	-	32.57	(0.67)	(0.19)	(0.48)	-
15	Advanta Comercio De Sementes LTDA	Brazil	2.68	(44.99)	24.34	24.34	-	10.47	(64.61)	(21.97)	(42.64)	-

Note: Exchange rates considered for above calculation

Particulars	Euro	US\$	Thal Baht	AUS\$	Indonesian Rupaih	Brazilian Reais
Closing Rate (for Balance Sheet Items)	67.08	46.54	1.40	41.88	0.0049	26.74
Average Rate (for Profit and Loss Items)	67.63	47.63	1.40	37.74	0.0046	25.34

ELECTRONIC CLEARING SERVICE (ECS) MANDATE FORM

Member’s Authorization to receive dividends through Electronic Credit Clearing Mechanism

To

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

Shareholders authorization to receive dividends through Electronic Credit Clearing Mechanism.

Registered Folio No.	ECS Ref. No.: (For office use only)
Name of the First / Sole Shareholder	
Bank Name	
Branch Address & Telephone No. of Branch	
Bank Account Number (As appearing on the Cheque Books)	
9 digit code number of the Bank and Branch appearing on the MICR cheque, or a photocopy (Xerox copy) of a Cheque issued to you by your bank, for verification of the above particulars.	
Account Type (Please tick the option)	Savings Current Cash Credit
Bank Account Ledger Folio No. (if any)	
Effective date of this mandate	

I hereby declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold M/s. Advanta India Limited responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I, further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place: Name of the First Holder: _____

Date: Signature of the First Holder: _____

Note:

- 1. Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.
- 2. In case of shareholders holding the equity shares in demat form, the shareholders are requested to provide details to their respective Depository participants. Shareholders are also requested to note that changes, if any, intimated by the Demat Account holders directly to the Company will not be considered.



The Seeds: Honesty, Integrity, Innovation and Teamwork The Crop: A bright, prosperous India

At Advanta, we sow values and reap prosperity in return. The first Indian multinational seed company with a global footprint, we have an active presence in Asia, Australia and Latin America.

Across the globe, we enjoy leadership position in Hybrid Rice, Corn, Sorghum and Sunflower. While in India, our core strengths lie in Pearl Millet, Cotton, Mustard and Vegetables. We spearhead with Molecular Marker technology in some crops, while building up value added biotech traits through seeds.

Advanta's global vision is to drive sustained growth with world-class and innovative technology. Our aim is to become a global hub for creating products that are used worldwide. With full crop solutions we shall strive to improve the profitability of the entire farmer fraternity.

Because only a prosperous farmer can herald a prosperous India.





A UPL GROUP COMPANY