

INVESTOR UPDATE

Dear investor,

We are pleased to inform you that we are establishing this communication platform to keep in touch with you. The objective of this business update, which will be given out at frequent intervals, is to keep you fully informed of the development of our business and important events around the world. We trust you will find these updates useful.

FINANCIAL PERFORMANCE

We have completed the first half of the year. The second quarter has produced very good results for our business with a revenue growth of 26%, a PBT growth of 77% and a PAT growth of 122% over the same period last year. This performance has helped us to recover rapidly from the shortfalls we had in the first quarter due to the reduction in the canola acreages in Australia.

BUSINESS DEVELOPMENT

The business development has been satisfactory so far in certain parts like SE Asia and USA. The initial business development work in Africa is producing good results. Europe and CIS has received important new product registrations and the commercial operations have just begun.

We have seen significant growth in our Corn business in the first half of the year. Improved availability of Corn has helped us in supplying more volumes to the market. This is closely followed by Sorghum and Sweet Corn.

We are introducing GM Corn product under a license from Monsanto in Philippines. The seed is in the process of being supplied. This is a completely new avenue for us. Similar is the situation in Brazil.

Our Long Reach wheat varieties are increasingly becoming popular and are expected to achieve significant market share this year. This is a significant jump and we are proud of our research and marketing efforts in this area.

We have also received an important order for our Nutrisun seed but this will get executed in 2014.

The Company has launched field corn - ADV 331, PAC 339, PAC 999 Super, PAC 224; Sunflower - HYSUN 202CL and HYSUN 204; Vegetables Tomato – Abhimanyu, Hot pepper - Sonakshi 44; Forage Sorghum - SWEET JUMBO LPA, Speed feed; Baby Corn - PAC 271 and Thaigold; Hybrid Canola - HYOLA 61 into new geographies.

Impact of Rupee depreciation

- The standalone business is predominantly now export oriented and any rupee depreciation is likely to benefit the business.
- Most of the FCCB proceeds have been invested in overseas subsidiaries in US Dollars therefore the forex exposure on this account is not material.

WEATHER AND CROPS

The overall weather in all our major markets has been good so far this year. This has helped particularly in the production areas. The rains have given a start to the agricultural operations in Thailand, Indonesia and other SE Asian countries. The monsoon has arrived in India! The good news is that it arrived in time in full force and has kicked off the sowing operations. Hopefully it will be a good year for India. Overall the seasonal conditions in different countries seem to be progressing well. This is good news for us.

Among the crops Corn has seen a strong sentiment in the market. Sorghum commodity tracks Corn and is doing well. Canola and Sunflower commodities have not been very encouraging so far. There is an excellent demand for corn in all the Asian countries and we are well prepared to meet this demand. There have been seed shortfalls for supplies of sorghum in US and Argentina, canola in Latin America etc.

STRENGTHENING OF SUPPLY CHAIN, QUALITY AND R&D FUNCTION GLOBALLY

In order to meet our future requirements of seed to support our growth there is a need for us to strengthen our supply function. This is the focus of our organizational actions in this year. We have just set up the global supply chain function. Barry Croker will be leading this important effort. We are sure with his long experience in the supply function and later as the Managing Director of Pacific Seeds, Australia, Barry is well positioned to set up this new function in the organization.

Nick Gardner has taken over as the Managing Director of Pacific Seeds, Australia. With his long experience we are sure Nick will make a great job of it.

We have also got Phil Guy joining us as the Global Quality Lead. With his long experience in working with large corporations in US we are sure Phil will add a lot of value to our efforts to offer the best quality seeds to our customers.

We have nominated Victor Abertondo as the Global Corn Research Lead and Nicole Jensen as the Global Sorghum Research Lead. We are sure these two bright young breeders will add significant value to our breeding efforts in these two crops.

NEW AVENUES AND INVESTMENTS

Our investments in research are continuing at the same level. We are strengthening our breeding programmes and are in the process of opening a new programme. We continue to invest in the development of new markets like Africa, Mexico, South America and SE Asia. These are long term investments that are likely to pay us back in the later years.

We are investing in developing new areas of production. This is a major initiative that we have taken up to strengthen our supply systems. We are investing in increasing the capacity of our plants in Thailand, Argentina and other places. We are also in the process of making necessary third party tolling arrangements in other places. But capital expenditure is not a major outlay for us compared to the requirement of funds for working capital.

CAUTIONARY STATEMENT

Certain statements in this update concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risk and uncertainties relating to these statements include, but not limited to, risks and uncertainties regarding fluctuations in earnings, fluctuations in foreign exchange rates, our ability to manage growth, wage increases, our ability to attract and retain highly skilled professional, increased competition, failure to effectively compete, seasonality and cyclical nature of business, weather, disease and pests, failure to manage the inventory, dependence on the success of research and development to develop new and hybrid products, regulatory framework governing the Indian seed industry, inability to obtain various statutory and/or regulatory approvals, licenses, permits, certifications and registrations in a timely manner, contingent liabilities, non-availability of adequate irrigation facilities, availability of transportation and other logistical facilities in a timely manner, decline in prices of issuers products, fluctuations in total rainfall and its distribution. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company unless it is required by law.

Date: 27th August 2013