Where ENZYME is Life

Advanced Enzyme Technologies Ltd.
CIN: L24200MH1989PLC051018
Sun Magnetica, 'A' wing, 5th Floor, LIC Service Road, Louiswadi, Thane (W)-400 604, India
Tel: +91-22-4170 3200, Fax: +91-22-2583 5159
Email: info@advancedenzymes.com, www.advancedenzymes.com

July 08, 2026

BSE Limited
P. J. Towers,
Dalal Street,
Mumbai- 400 001
Scrip Code-540025

National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1,
G Block Bandra-Kurla Complex,
Bandra (E) Mumbai- 400 051
Trading Symbol-ADVENZYMES

Dear Sir/Madam,

Sub: Integrated Annual Report for the financial year 2025-26 and Notice of 37th Annual General Meeting of the Company.
Ref.: ISIN: INE837H01020

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed the **Integrated Annual Report for the financial year 2025-26** along with **Notice of the 37th AGM** of the Company ("**AGM Notice**") scheduled to be held on **Friday, July 31, 2026 at 10:00 a.m. (IST) through Video Conference / Other Audio Visual Means**.

The Integrated Annual Report and AGM Notice are also uploaded on the website of the Company:

Integrated Annual Report	https://www.advancedenzymes.com/wp-content/uploads/2026/07/Annual-Report-2025-26.pdf
AGM Notice	https://www.advancedenzymes.com/wp-content/uploads/2026/07/Notice-of-37th-Annual-General-Meeting.pdf

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Company has fixed Friday, July 24, 2026 as the Cut-Off date to ascertain the eligibility of the Members of the Company entitled to vote electronically on all the resolutions, as per the procedure and other details mentioned in the AGM Notice.

This is for your information and for public at large.

Thanking you,
Yours faithfully,
For Advanced Enzyme Technologies Limited

SANJAY PRAKASH BASANTANI
Digitally signed by SANJAY PRAKASH BASANTANI
Date: 2026.07.08 15:53:42 +05'30'

Sanjay Basantani
Company Secretary and Head-Legal

Encl: As above

advanced enzymes
Where ENZYME is Life

Scaling Innovation Committed to Sustainability

Advanced Enzyme Technologies Limited

Integrated Annual Report **2025-26**

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Disclaimer:
This document contains statements about expected future events and financials of Advanced Enzyme Technologies Limited ('Advanced Enzymes', 'AETL', 'Your Company'), which are forward-looking. By their nature, forward-looking statements require your Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Financial Statements 151-290

Investor Information

Market Capitalisation (as on March 31, 2026)	:	₹28,575 million
CIN	:	L24200MH1989PLC051018
BSE Code	:	540025
NSE Symbol	:	ADVENZYMES
Dividend	:	₹4 per share Interim Dividend Declared ₹1.35 per share Dividend Proposed
AGM Date	:	July 31, 2026
AGM Mode	:	Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)

Scan this QR Code for the Annual Report

Scaling Innovation Committed to Sustainability

Science rarely transforms industries overnight. It does so gradually, through repeated application, refinement and the ability to take what works in one place and make it work everywhere.

This is the nature of the enzyme and probiotic business. Decades of scientific development have created solutions that are proven across industries. The next phase of growth will be defined by how widely and how responsibly these solutions can be scaled.

For your Company, FY 2025-26 was a year of deepening this momentum. Research capabilities were strengthened, market presence expanded and new applications and segments explored. Each step reflects a clear and evolving focus:

NOT JUST TO INNOVATE,

but to scale that innovation across applications, industries and markets.

NOT JUST TO CREATE SOLUTIONS,

but to ensure they contribute meaningfully to a more responsible and enduring future.

What is emerging is not just a larger organisation, but a more connected one, where science, scale and sustainability are no longer parallel pursuits, but part of a single, evolving system.

This is what defines your Company's direction today. And as this system continues to take shape, it opens up a larger possibility, one that goes beyond growth itself.

What happens when innovation does not just grow, but begins to transform everything it touches?

About the Company

Scaling Science Delivering Solutions

Advanced Enzyme Technologies Limited ('Advanced Enzymes', 'AETL', 'Your Company') is a research-driven, integrated leader in the development, manufacturing and marketing of proprietary enzyme products and probiotics, with a strong global presence.

Over three decades of enzymology expertise have enabled your Company to build end-to-end capabilities. This includes microbial research, large-scale commercial production and technical support across diverse industries and geographies.

This has Enabled

Deep Scientific Expertise

Strong research and development (R&D) capabilities

₹ 246 million

R&D investment

High-Barrier Business Model

Specialised enzyme expertise with significant entry barriers

68+

Indigenous enzymes and probiotics

Integrated Value Chain

End-to-end Presence from R&D to marketing & distribution

400+

Proprietary products across diverse applications

Global Market Orientation

Strong International Presence across Diverse Markets

700+

Customers across

45+

Countries

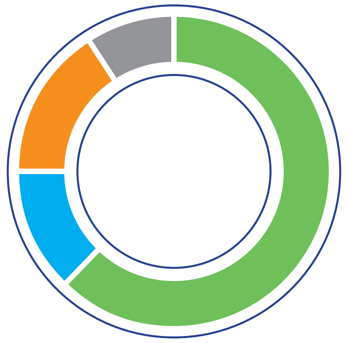
5

Continents

Note: All the numbers mentioned on this page are on consolidated basis.

Diversified Application Portfolio

Presence across healthcare, nutrition and industrial segments



63%
Human Nutrition

13%
Animal Nutrition

16%
Industrial Bio-Processing

8%
Specialised Manufacturing

Financial Strength

Consistent and Resilient Financial Performance

₹ 7,458 million

Revenue

Your Company's B2B foundation remains strong, while its presence in the consumer segment is growing through the WELLFA brand (Advanced Nutrazyme Private Limited).

This expansion into B2C diversifies revenue streams, reduces dependence on industrial cycles and builds a scalable wellness platform. Sustained investments in innovation, R&D and strategic acquisitions continue to strengthen your Company's leadership in enzymes and probiotics, supporting the delivery of science-led, sustainable solutions across healthcare, nutrition and industrial applications.

Driving the Next Phase of Growth

Strengthening the Core

Leadership in B2B enzyme and probiotic solutions

Expanding the Portfolio

Growing B2C footprint through WELLFA

Accelerating through Innovation

R&D focus and strategic acquisitions

Delivering Sustainable Solutions

Across healthcare, nutrition and industrial applications

Vision

Our vision at AETL is to become a leading, respected and preferred enzymes and probiotics-based solutions provider in the global market.

Mission

It is our mission to see that every human being is able to utilise the power of enzymes and probiotics, for general well-being, health and improving the quality of life. It is also our mission to see that every possible industry is able to take the advantage of enzymes, to create and produce innovative products, improve the quality of the end-products, reduce energy costs, optimise the use of raw materials and resources and reduce pollution and the overall carbon footprint of the process.

Key Highlights

Measuring Progress Marking Milestones

Financial Capital

₹ 7,458 million
Revenue

₹ 2,291 million
EBITDA

₹ 1,736 million
Profit after tax (PAT)

₹ 15.08
Earnings per share (Basic)

Natural Capital

1,471 GJ
Energy consumed through renewable sources

8 MT
Reduction in waste generation

Social and Relationship Capital

8
Key industry associations

66+ ('000)
Shareholders

₹ 22.50 million
Contribution towards CSR projects

Manufactured Capital

₹ 522 million
Capital expenditure

~70%
Total capacity utilisation

500+ m^3
Fermentation capacity

Intellectual Capital

₹ 246 million
Investments in R&D

15
Patents (Filed and Granted)

400+
Proprietary products

Human Capital

22%
Women employed

0
Incidences of fatalities

₹ 647 million
Spend towards employees

Note: All the data mentioned w.r.t Human, Social & Relationship, and Natural Capital is on Standalone basis.

Product Portfolio

Rooted in Science Built for Impact

Decades of scientific expertise have shaped Advanced Enzymes' diversified portfolio of enzyme and probiotic solutions. These are tailored to the needs of industries across healthcare, nutrition and industrial applications.

Advanced Enzymes' portfolio spans high-growth healthcare and nutrition segments, while also addressing a wide range of industrial applications, enabling a balanced and resilient revenue mix. Alongside its strong B2B foundation, your Company is gradually expanding its presence in the consumer segment, strengthening its position in the broader wellness space. Sustained investment in R&D and advanced technologies and capabilities continue to drive innovation and the development of next-generation solutions across the portfolio.

Our Offerings

Human Nutrition

- Pharma/API
- Biocatalyst
- Probiotics
- Nutrition

Animal Nutrition

- Immunity & stress management
- Feed additives
- Digestive enzymes
- Vaccine stabilizer
- Toxin binders
- Probiotics

Bio-Processing

Food Processing

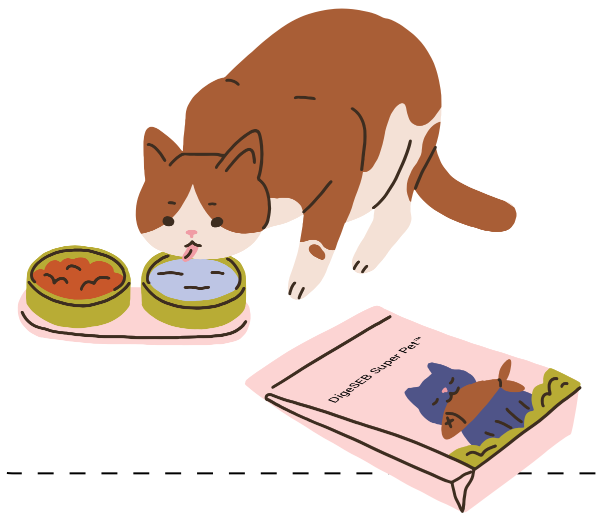
- Baking, brewing and malting, dairy and cheese processing
- Oils & fats processing
- Fruit and vegetable processing
- Starch and grain processing
- Protein modification
- Natural and herbal extraction
- Speciality applications probiotics

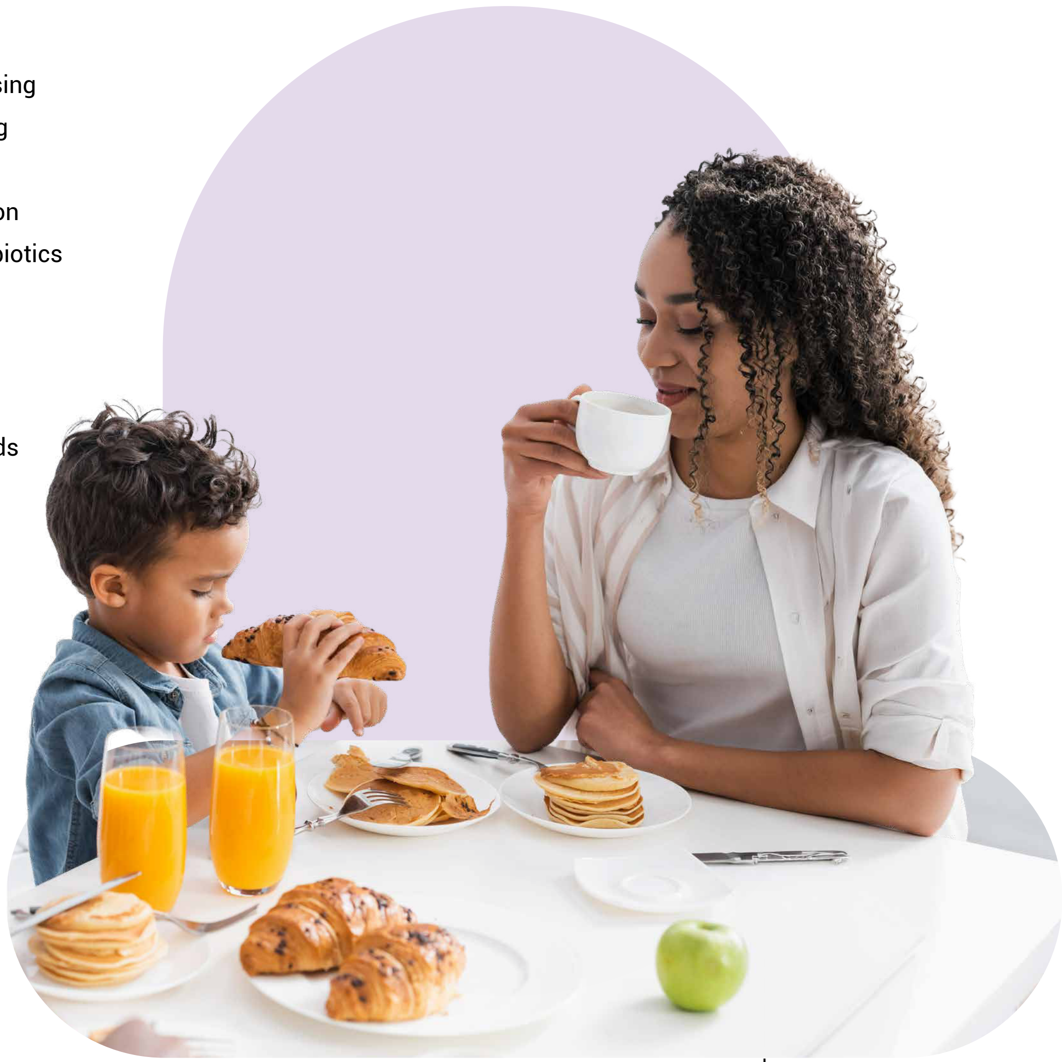
Non-Food Processing

- Biocatalysis
- Biofuels
- Detergents and cleaning aids
- Leather processing
- Pulp and paper processing
- Textile processing
- Effluent treatment and agro processing

Specialised Manufacturing

- Effervescent tablets
- Nutraceuticals
- Animal Health
- Cosmeceuticals
- Disinfectants
- Textiles washing solution





What Enzymes Mean to Us

Enzymes are naturally occurring protein molecules found in all living organisms, functioning as catalysts within cells. They accelerate biochemical reactions with high specificity, enabling essential biological processes. At Advanced Enzymes, these natural catalysts are leveraged to replace conventional chemicals and enhance the efficiency, sustainability and performance of industrial applications.

What Probiotics Mean to Us

Probiotics are beneficial live microorganisms that, when administered in adequate amounts, support health and well-being. While widely associated with digestive health, their potential extends into broader therapeutic applications, with ongoing research exploring their role in managing various conditions. They function by inhibiting harmful microbes and producing beneficial compounds that support both human and animal health. Your Company continues to advance the development and application of probiotics, enabling their expanding role in healthcare.

What Biocatalysts Mean to Us

Biocatalysts are biological agents that facilitate chemical reactions without being consumed in the process. By lowering the energy required for reactions, they support critical biological functions such as metabolism and growth. Their precision and ability to operate under mild conditions make them a sustainable alternative to traditional chemical catalysts. Advanced Enzymes focuses on harnessing biocatalysts to improve process efficiency while minimising environmental impact across industries.

What Bio-Processing Means to Us

Bioprocessing involves the use of living cells, enzymes, or microorganisms to drive the production of valuable compounds. It serves as a critical enabler across industries such as pharmaceuticals, food processing and biofuels. Compared to traditional methods, bioprocessing offers greater precision, improved efficiency and a lower environmental footprint. Your Company specialises in developing and scaling such technologies to deliver sustainable and innovative solutions tailored to diverse industry needs.

Corporate Framework

Structured for Scale Designed for Growth

Subsidiaries and Strategic Investments

1. 60% — Advanced Bio-Agro Tech Limited
Incorporated : 2004 (India)
Core Areas : Animal Nutrition

2. 100% — Advanced EnzyTech Solutions Limited
Incorporated : 2008 (India)
Core Areas : Non-Food Industrial Bioprocessing

3. 100% — Advanced Enzymes USA Inc.
Incorporated : 2010 (USA)
Core Areas : Holding Company for Americas

100% — Cal-India Foods International
Incorporated : 1985 (USA)
Acquired : 2011
Core Areas : Human Nutrition (B2B)

100% — Enzyme Innovation Inc.
Incorporated : 2013 (USA)
Core Areas : Animal Nutrition and Industrial Bio-Processing

100% — Starya Labs Inc.
Incorporated : 2024 (USA)
Core Areas : Laboratory Testing Services (Enzymes/Probiotics)

100% — Advanced Supplementary Technologies Corporation
Incorporated : 2010 (USA)
Acquired : 2012
Core Areas : Branded Supplements for Nutraceutical Applications

4. ~96%* — JC Biotech Private Limited
Incorporated : 1991 (India)
Acquired : 2016
Core Areas : Enzyme Manufacturing

5. 51% — SciTech Specialities Private Limited
Incorporated : 2007 (India)
Acquired : 2021
Core Areas : Effervescent-based Products

6. 100% — Advanced Enzymes Europe B.V.
Incorporated : 2017 (Netherlands)
Core Areas : Holding Company for Europe

100% — evoxx technologies GmbH
Incorporated : 2016 (Germany)
Acquired : 2017
Core Areas : Contract Research and Industrial Bio-Processing

7. 50% — Saiganesh Enzytech Solutions Private Limited
Incorporated : 2022 (India)
Acquired : 2023
Core Areas : Human Health/Nutrition and Food Industry

8. 100% — Advanced Nutrazyme Private Limited
Incorporated : 2025 (India)
Core Areas : Nutrition and Wellness

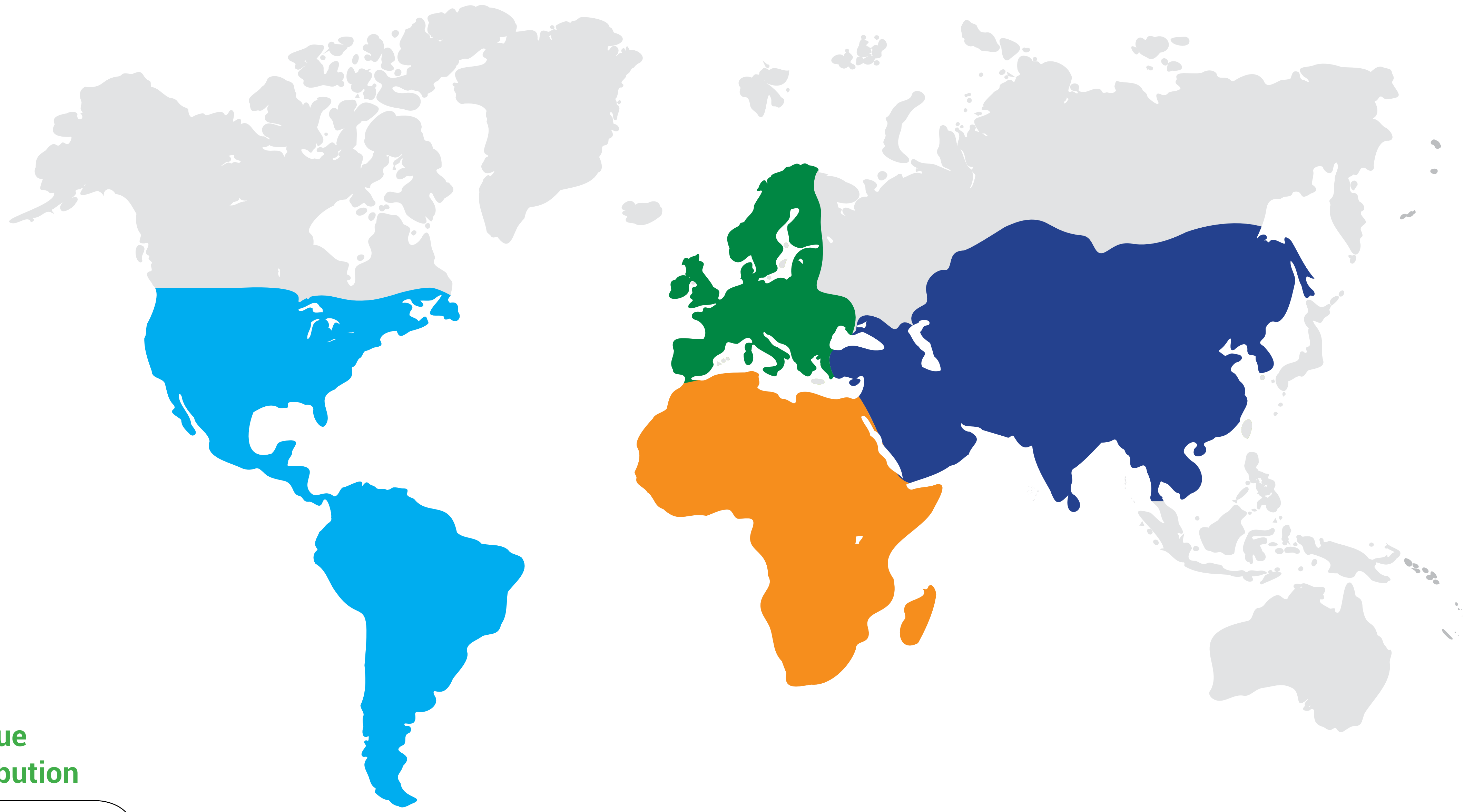
Note: *Advanced Enzymes currently holds 95.72% in JC Biotech.

Presence

From Global Science to Local Impact

A multi-market strategy balancing scale, specialisation and regulatory depth anchors Advanced Enzymes' global presence. This enables effective operations across diverse and evolving international markets.

Your Company continues to navigate shifting geopolitical and trade dynamics through a calibrated regional approach, strengthening its position in high-potential markets while mitigating concentration risks. Strategic investments in regulatory approvals, localised capabilities and innovation platforms are improving market access and deepening customer engagement. These efforts support near-term resilience while positioning your Company to capture long-term opportunities across global enzyme and probiotic markets.



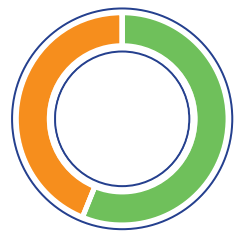
Revenue Contribution

	Americas	Europe	Asia (excluding India)	Rest of the World
FY 2025-26	₹2,192 million	₹398 million	₹904 million	₹236 million
FY 2024-25	₹2,367 million	₹335 million	₹589 million	₹172 million

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. Your Company or any of its Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. Our Company does not warrant or represent any kind of connection with its accuracy or completeness.

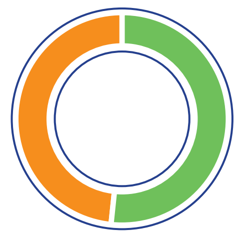
Revenue Share

Domestic (India)



FY 2025-26 ₹3,727 million
FY 2024-25 ₹2,905 million

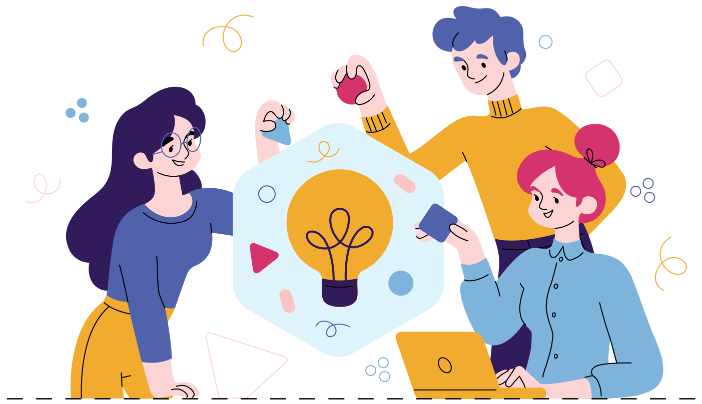
International



FY 2025-26 ₹3,731 million
FY 2024-25 ₹3,464 million

Milestones

Charting Innovation Building Legacy



1989

- Incorporated as Advanced Biochemicals Private Limited

1994

- Commissioning of the first fermentation facility at Sinnar, Maharashtra

2001

- DSIR recognition for R&D facilities in Thane and Sinnar

2004

- Ranked as the largest domestic manufacturer of industrial enzymes
- First patent filed, marking the beginning of Your Company's innovation journey

2005

- Name of the Company changed to Advanced Enzyme Technologies Limited following renaming

2011

- Acquisition of Cal-India Foods International, USA, expanding international presence

2012

- Equity investment received from Kotak Private Equity*
- Acquisition of Advanced Supplementary Technologies, strengthening nutraceutical capabilities
- Second fermentation facility commissioned at Pithampur, Indore

2014

- First food enzyme dossier filed, marking a key regulatory milestone

2016

- Listed on capital markets through Initial Public Offering (IPO)
- Acquisition of 70% stake in JC Biotech, Ongole, Andhra Pradesh enhancing manufacturing capabilities

2017

- Acquisition of evoxx technologies GmbH, Germany, strengthening European presence
- First GRAS dossier filed with the US FDA

2018

- FSSAI approvals received for 4 food enzymes as processing aids
- Regulatory registrations achieved with REACH-ECHA (European Chemicals Agency)

2021

- Acquisition of 51% stake in SciTech Specialities, with 2 Manufacturing facilities and 1 R&D Unit expanding product portfolio and capabilities

Manufacturing Facility:
Pitampur SEZ, Madhya Pradesh, India

2022

- NIH grant received for ImmunoSEB and ProbioSEB CSC3
- Regulatory approvals received for 2 GRAS dossiers (SEBtilis™ and SEBclausii™)
- Stake in JC Biotech increased by 15%

2023

- Acquisition of 50% stake in Saiganesh Enzytech Solutions, strengthening presence in human health and food
- Stake in JC Biotech further consolidated
- WELLFA launched, marking entry into the B2C segment

2024

- Stake consolidation in JC Biotech continued
- EFSA approval received for 2 food enzyme dossiers
- 'No Questions' letters received for 2 GRAS dossiers from US FDA
- 160-kW solar power plant commissioned

2025

- Starya Labs established as an independent testing facility for enzymes and probiotics
- 350-kW solar power plant commissioned, further strengthening renewable energy adoption

2026

- Three new patents filed
- Three GRAS dossiers filed with the USFDA
- Incorporation of Advanced Nutrazyme Private Limited (ANPL), expanding the Company's presence in the nutrition and wellness segment

*Through Kotak India Venture Fund I, Kotak Employees Investment Trust and Kotak India Venture (Offshore) Fund

Management Message

Message from the Chairperson

Dear Shareholders,

FY 2025–26 was a year that tested steadiness and strategy.

A year where global disruptions, geopolitical tensions, and fragile supply chains tested steadiness as much as strategy. The operating environment was shaped by complexity on multiple fronts, and evolving trade dynamics with sharp tariff volatility in key markets, limited short term demand visibility. These cascading international challenges interrupted the steady flow of crucial materials, slowed down production cycles and driven up the costs for the global manufacturing and logistics.

Despite these supply chain challenges; we have maintained a highly consistent supply track record. However, we remain vigilant, as ongoing geopolitical disruptions threaten to escalate the prices of input essentials such as fuel (Coal), salts, solvents, packaging and logistics, potentially creating near-term margin pressures across the industry.

Nevertheless, the enzyme and probiotic industry continue to demonstrate inherent resilience and is driven by its critical role in enabling sustainable and efficient processes, across sectors. Your Company remained fully focused on navigating these near-term challenges while simultaneously strengthening its long-term growth foundations. Through this period, we continued to strengthen the innovation capabilities and expand the role of sustainable solutions across the portfolio, ensuring that the progress was never paused, but made more deliberate.

Resilient Performance in a Dynamic Environment

Despite external uncertainties, your Company delivered a resilient performance, supported by its diversified portfolio and balanced global presence. Where certain regions experienced temporary disruptions, the ability to adapt across markets and maintain customer engagement, sustained the operational stability.

The Human Nutrition vertical continued to anchor the business, contributing a significant share to overall revenues. Other business verticals of your Company provided diversification across applications and industries. The strategic product mix within each business vertical and operating leverage has continued to perform exceedingly well, supporting the healthy overall margins. We anticipate the entire portfolio spanning Human Nutrition, Animal Nutrition, and Bioprocessing to perform better and grow stronger, as we move ahead into the new fiscal year.

At a consolidated level, a disciplined approach to growth and profitability kept the performance aligned with evolving market conditions. I am delighted to announce that Advanced Enzymes has reported its highest ever annual revenue for the fiscal year ended March 2026.

₹ **7,458** million

Annual revenue for FY 2025-26

17%

Y-o-Y growth

The overall financial performance is firmly in line with the earlier guidance. All of the businesses delivered healthy growth, and we are confident that this steady momentum will continue into the coming year.

63%

Revenue contribution from human nutrition

Scaling Innovation Capabilities

Over the course of the year, your Company have taken several strategic steps to fortify mid- to long-term market positioning. We have continued to invest in enhancing the R&D capabilities, which will accelerate the innovation pipeline, while parallelly exploring expansion into newer, high-potential geographies.

₹ **248** million

Invested in R&D

Your Company's focus on advanced areas such as strain development, protein engineering, and fermentation technologies is enabling us to develop differentiated enzyme solutions tailored to evolving industry needs. Deployment of high throughput and AI-based tools has further enhanced enzyme discovery and optimisation, improving efficiency and outcomes across the pipeline.

Advancing Strategic Growth Priorities

Looking at the broader industry landscape; global pharmaceutical, nutraceutical, and biotechnology sectors are increasingly shifting toward wider adoption of enzymes across various regions. This macro trend is driving substantial market demand for players like us who can offer integrated, end-to-end capabilities and customized solutions across these platforms.

During the year, we strategically diversified and expanded our geographic footprint, reinforcing our market presence and enhancing our ability to serve a broader customer base. These initiatives have strengthened our resilience, reduced concentration risks and positioned us for long-term sustainable growth. We are making progress in strengthening presence in the consumer wellness space through the WELLFA brand. This initiative represents a strategic shift towards building a direct-to-consumer platform, complementing strong B2B foundation. We explored opportunities for inorganic growth, focusing on acquiring capabilities/ technologies or market access that align with strategic priorities. A disciplined approach to this ensures that growth remains sustainable and value accretive.

Building a Resilient Global Footprint

Your Company's presence across diverse geographies remains a key strength, and enable us to navigate regional disruptions and capture emerging opportunities. The Americas market faced challenges due to tariff related disruptions, while Europe delivered strong momentum and Asia recorded steady growth. These regions benefited from sustained regulatory and registration efforts, now translating into tangible business outcomes.

The focus on regulatory preparedness, particularly in well regulated markets, continues to strengthen the global positioning. This approach not only enhances market access but also builds long term resilience in an increasingly complex operating environment.

Driving Sustainable Impact

Sustainability is deeply embedded in the business model and continues to guide your Company's strategic decisions. Your Company's enzyme based solutions inherently support environmental responsible processes by replacing traditional chemical methods across industries.

1,471 GJ

Energy consumption from renewable sources

During the year, we expanded the sustainability initiatives through adoption of clean energy and continued focus on environmentally responsible operations. We are also advancing efforts in biocatalysis, enabling greener alternatives in sectors such as pharmaceuticals, agriculture, and industrial processing. These efforts align with global sustainability goals while reinforcing commitment to responsible growth.

Looking Ahead with Confidence

We remain confident in the long-term growth potential of your Company's business and the broader industry. Increasing demand for sustainable solutions, rising health and wellness awareness, and advancements in biotechnology are expected to drive future opportunities. Your Company's strategic priorities remain focused on scaling innovation, expanding global footprint, and strengthening the portfolio. A robust balance sheet and a strong foundation of scientific expertise position us well to pursue growth opportunities, including strategic acquisitions.

That said, the business outlook remains extremely steady. We will continue to focus on optimized capacity allocation, improving supply chain efficiencies, ramping up new product launches, and expanding the operational footprint across both developed and emerging markets.

Conclusion

While the near-term environment may remain dynamic, the long term direction is clear. Your Company's commitment to scaling innovation and staying committed to sustainability continues to guide the journey as we build a resilient organisation. Strong capabilities, a diversified business model, and a global presence give us confidence in ability to create enduring value for all the stakeholders.

I would like to thank employees for their dedication, customers for their continued trust, and shareholders for their unwavering support.

Warm regards,

V. L. Rathi

Chairperson

Business Model

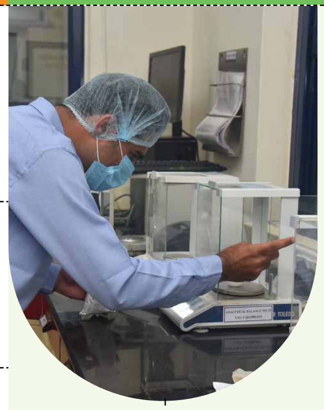
Innovating Responsibly Creating Lasting Value

Investors and Shareholders | Customers | Communities
Value Chain Partners | Employees and Workers | Government and Regulatory Bodies

Inputs	Outputs
Financial Capital ₹**224 million** Total equity ₹**16,096 million** Reserves ₹**18,388 million** Total assets	₹7,458 million Revenue 31% EBITDA margin 23% PAT margin
Manufactured Capital **9** Manufacturing facilities **500+ m³** Fermentation capacity	68+ Enzymes and probiotics 400+ Proprietary products ~70% Capacity utilisation
Intellectual Capital **7** R&D centres **100+** R&D and technology experts	15 Patents (Filed & Granted) 17 Food enzyme dossiers filed with EFSA 1 Novel food dossier filed with EFSA 10 GRAS dossier evaluated by the US FDA
Natural Capital **2,35,052 GJ** Total energy consumption **393 MT** Total waste generated **1,57,686 KL** Total water consumption	8 MT Reduction in waste generation 337 MT Waste reused 33% Water recycled
Human Capital **401** Total employees **362** Total workers **40+** Training programmes conducted ₹**647 million** Total remuneration paid	89 Women employees and workers 0 Incidences of fatalities 14% Employee turnover rate 99% Skill up-gradation training 58% Health and safety measures training
Social and Relationship Capital ₹**22.50 million** CSR expenditure **8** Key industry associations ₹**515 million** Contribution to exchequer **66+ ('000)** Shareholders **700+** Customers	~1,861 Lives benefited ₹4 Interim dividend per share 45+ Countries worldwide presence ₹1.35 Dividend proposed 34% Dividend pay-out ratio

Stakeholders Impacted | SDGs Impacted

Your Company's Ecosystem



Research and Development

- Application development
- Customisation support
- IP protection
- Process scale-up
- Microbial technology
- Enzymes and probiotics discovery

Manufacturing

- Large capacities
- Highly controlled processes
- Flexible batch sizes
- Flexible downstream processing capabilities
- Ability to quickly expand
- Globally competitive cost structure

Marketing and Distribution

- Customised solutions
- Reliability and quality
- Global regulatory expertise
- Value-based selling
- Direct access to end users
- Deep customer insights

Note: All the data mentioned w.r.t Human, Social & Relationship and Natural Capital is on Standalone basis.

Stakeholder Engagement

Committed to Partnerships Built on Trust

Stakeholders	Importance of Stakeholders	Modes of Engagement	Frequency of Engagement	Capital Linkages
Investors and Shareholders	Enable capital formation through equity, debt and retained earnings, supporting business expansion and long-term financial stability	Investor communications, press and media releases, annual general meetings, stock exchange disclosures and website updates	Quarterly, half-yearly, annual and need-based	
Employees and Workers	Drive organisational performance through skills, experience and collaboration, supported by a work environment that encourages accountability and growth	Direct interactions, internal communication channels, emails and leadership engagements	Quarterly, annual and need-based	
Customers	Contribute to revenue growth and brand positioning through ongoing engagement, with their feedback and evolving needs informing product development and innovation	Digital communication, marketing outreach, website interface and direct engagement	Ongoing and need-based	
Value Chain Partners	Strengthen operational effectiveness by enabling efficient sourcing, cost management and delivery of quality products	Meetings, digital communication and collaborative platforms	Ongoing and need-based	
Communities	Support inclusive development through ongoing engagement, contributing to long-term social impact and shared value creation	Community interactions, outreach initiatives, meetings and communication channels	Ongoing and need based	

Financial Capital
Natural Capital
Manufactured Capital
Human Capital
Intellectual Capital
Social and Relationship Capital

FINANCIAL CAPITAL

Scaling Performance Sustaining Returns

Advanced Enzymes' financial performance reflects its well-diversified growth trajectory. A disciplined approach to capital allocation and clear growth visibility enables your Company to sustain performance, navigate market uncertainties and invest in innovation and future-ready capabilities.

Who We Impact

- Investors and Shareholders
- Employees and Workers

Aligned to SDGs

1 NO POVERTY | 8 DECENT WORK AND ECONOMIC GROWTH | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Strong credit rating

ICRA

AA-(Stable)/A1+
Long-term/Short-term-Unallocated limits

AA-(Stable)
Long-term-Fund-based-Cash credit

A1+
Short-term-Non-fund based limits

EBITDA (₹ million)

FY 2025-26	2,291
FY 2024-25	1,944
FY 2023-24	2,045
FY 2022-23	1,564
FY 2021-22	2,014

PAT (₹ million)

FY 2025-26	1,736
FY 2024-25	1,340
FY 2023-24	1,370
FY 2022-23	1,039
FY 2021-22	1,238

Net Worth (₹ million)

FY 2025-26	16,320
FY 2024-25	14,209
FY 2023-24	13,241
FY 2022-23	12,351
FY 2021-22	10,886

Fixed Asset Turnover (X)

FY 2025-26	2.28
FY 2024-25	2.02
FY 2023-24	2.03
FY 2022-23	1.87
FY 2021-22	1.95

Net Working Capital (Days)

FY 2025-26	138
FY 2024-25	145
FY 2023-24	135
FY 2022-23	135
FY 2021-22	132

ROE (%)

FY 2025-26	11
FY 2024-25	10
FY 2023-24	11
FY 2022-23	9
FY 2021-22	12

Free Cash Flow (₹ million)

FY 2025-26	1,048
FY 2024-25	1,082
FY 2023-24	942
FY 2022-23	1,024
FY 2021-22	954

ROIC (%)

FY 2025-26	16
FY 2024-25	15
FY 2023-24	18
FY 2022-23	15
FY 2021-22	26

Net Debt/Equity (X)

FY 2025-26	0.01
FY 2024-25	0.02
FY 2023-24	0.02
FY 2022-23	0.01
FY 2021-22	0.01

ROCE (%)

FY 2025-26	12
FY 2024-25	11
FY 2023-24	13
FY 2022-23	10
FY 2021-22	16

Note:
All the numbers are on Consolidated basis | Net working capital days =((Trade receivables + inventories – Trade payables)/Net Sales)*365 | Net Debt = Long-term debt + short-term debt + current maturities of long-term debt – Cash & Cash Equivalent ROIC=EBITDA/(Equity + Net Debt) | Return ratio calculated based on average of shareholders' fund and average debt

Financial Summary (Consolidated)

Particulars	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from Operations (including Export Incentives)	7,458	6,369	6,239	5,406	5,294
Net Sales (excluding Export Incentives)	7,450	6,365	6,235	5,404	5,289
EBITDA	2,291	1,944	2,045	1,564	2,014
Depreciation	401	366	352	350	349
EBIT	1,890	1,579	1,693	1,214	1,665
Finance Charges	26	36	29	24	18
Profit Before Tax and Exceptional Items	1,863	1,543	1,664	1,190	1,647
Exceptional Items	(114)	-	151	41	-
Profit After Tax and Exceptional Items	1,977	1,543	1,513	1,149	1,647
Other Income	348	330	367	255	64
Profit Before Tax	2,325	1,874	1,880	1,404	1,711
Tax	589	534	509	365	473
Profit After Tax Including Minority Interest (PAT)	1,736	1,340	1,371	1,039	1,238
Profit After Tax and Allocation of Minority Interest	1,687	1,311	1,333	1,056	1,196
Paid-Up Capital - Equity	224	224	224	224	224
Reserves and Surplus	16,096	13,985	13,018	12,127	10,662
Shareholders' Fund	16,320	14,209	13,241	12,351	10,886
Minority Interest	512	478	470	491	518
Long-Term Borrowings (including Current Maturities)	79	92	70	78	81
Working Capital Finance	112	111	176	50	19
Short-Term Borrowings	15	12	6	5	9
Total Debt	205	215	251	132	109
Current Liabilities (excluding Short-Term Borrowings and Current Maturities)	941	839	882	721	576
Other Liabilities	410	472	511	523	587
Tangible Fixed Assets (Property, Plant and Equipment) (Net)*	3,270	3,146	3,073	2,888	2,718
Intangible Assets (Net)	469	523	583	609	663
Goodwill on Consolidation	3,695	3,334	3,253	3,209	2,961
Current Assets	10,436	8,799	8,097	7,221	6,644
Other Assets	518	411	349	292	290
Net Worth	16,320	14,209	13,241	12,351	10,886
Total Outside Liabilities (TOL)	2,068	2,005	2,113	1,868	1,790

Particulars	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
Growth Indicators					
Net Sales	17%	2%	15%	2%	6%
EBITDA	18%	-5%	31%	-22%	-13%
EBIT	20%	7%	39%	-27%	-18%
PAT	30%	-2%	32%	-16%	-18%
Key Operating Ratio*					
Gross Margin	74%	76%	77%	76%	79%
EBITDA Margin - EBITDA/Net Sales	31%	31%	33%	29%	38%
EBIT Margin - EBIT/Net Sales	25%	25%	27%	22%	31%
PAT Margin - PAT/Net Sales	23%	21%	22%	19%	23%
Financial Leverage					
Net Debt/Equity	0.01	0.02	0.02	0.01	0.01
Interest Coverage	71.92	44.39	58.34	50.57	92.68
Debt/EBITDA	0.09	0.11	0.12	0.09	0.05
Return Ratios#					
RoE (PAT/Shareholders' Fund)	11%	10%	11%	9%	12%
RoCE (EBIT/ (Shareholders' Fund + Total Debt))	12%	11%	13%	10%	16%
RoIC (EBITDA)/(Equity+ Total Debt - Cash and Cash Equivalent)	16%	15%	18%	15%	26%
Other Ratios					
Turnover to Tangible Assets (Net)	2.28	2.02	2.03	1.87	1.95
TOL to Net Worth Ratio	0.13	0.14	0.16	0.15	0.16
Book Value/Share (₹)	145.81	127.00	118.41	110.45	97.37
EPS (Basic)	15.08	11.72	11.92	9.45	10.70
EPS (Diluted)	15.06	11.71	11.92	9.45	10.68
Working Capital Cycle (No. of Days)*					
Inventory Turnover	87	90	87	84	83
Accounts Receivable	71	66	58	69	61
Accounts Payable	20	11	9	17	12
Net Working Capital	138	145	135	135	132
R&D Spends					
Capital Expenditure	12	32	24	50	16
Recurring Expenditure	235	216	173	174	150
Total R&D Spends	246	248	197	223	166
As % of Net Sales	3%	4%	3%	4%	3%

Note: Book value and EPS are based on face value of ₹2 per share
*Based on net sales
#Return ratio calculated based on average shareholders' fund and average debt
All figures are in ₹ million, unless otherwise stated
Figures are regrouped and rounded off wherever applicable

MANUFACTURED CAPITAL

Precision at Scale Built for the Future

Advanced technologies and strategically located facilities enable flexible, cost-effective and sustainable production across diverse applications. Your Company's strong operational backbone enhances execution agility and supports the seamless translation of innovation into market-ready solutions.

Who We Impact

- Customers
- Value Chain Partners
- Communities
- Government and Regulatory Bodies

Aligned to SDGs

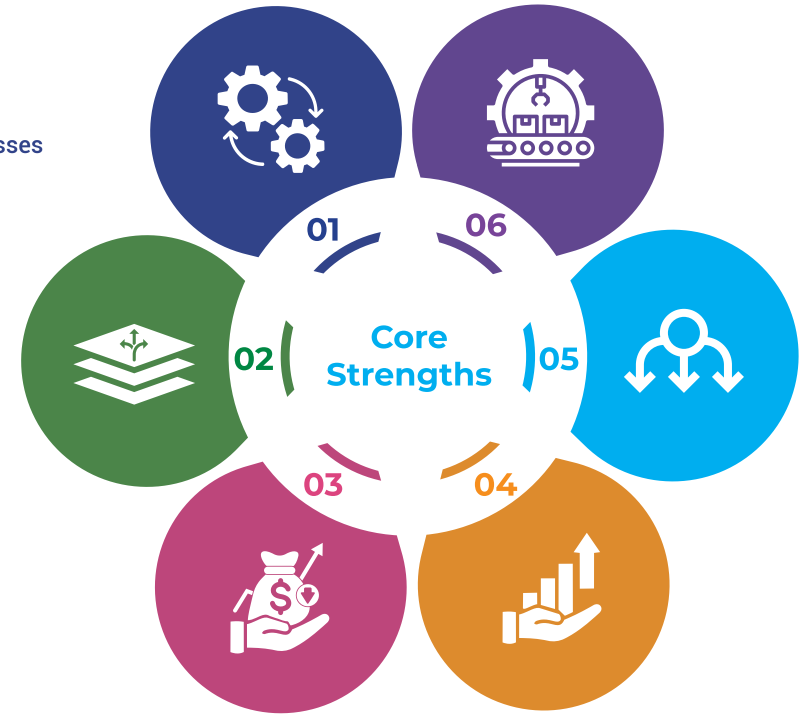
Manufacturing Facility: Pitampur SEZ, Madhya Pradesh, India

Manufacturing Facilities

Your Company has established a robust and flexible manufacturing network across India and the United States, designed to support its diverse product portfolio and evolving customer requirements. Its primary manufacturing facility at MIDC Malegaon, Sinnar (Nashik), is complemented by specialised and subsidiary units, enabling Advanced Enzymes to maintain operational agility while delivering consistent quality at scale.

Driving Sustainable Manufacturing

Sustainability remains integral to your Company's manufacturing approach. Incorporating renewable energy and improving process efficiencies align with its broader commitment to environmentally responsible operations. These initiatives reduce the environmental footprint while contributing to long-term cost optimisation and operational resilience.



01 Highly controlled and efficient processes

02 Flexible batch sizes

03 Globally competitive cost structure

04 Rapid scalability and expansion

05 Flexible downstream capabilities

06 Large-scale manufacturing capacities

Certifications

- Kosher Certification
- WHO-GMP Certification
- GMP Plus Certification
- ISO 9001:2015
- ISO 14001:2015
- Halal Certification
- Food Safety System Certification (FSSC) 22000
- Global Organic Textile Standard (GOTS)
- Written Confirmation Certification
- Export Inspection Agency Certification
- Input for Organic Processing /Production

Our USPs

01 Customised solutions

02 Direct access to end users

03 Global regulatory expertise

04 Deep customer insights

05 Reliability and quality assurance

06 Value-based selling

Human Nutrition

Your Company's Human Nutrition segment remains a key pillar of the business, supported by a strong presence across Asia (including India), North America and Europe. AETL offers a diverse portfolio catering to pharmaceutical and nutraceutical applications, with a growing focus on high-value innovation.

Biocatalysis is emerging as a key frontier. Enzymatic solutions are increasingly being used to replace traditional chemical processes across industries such as pharmaceuticals, perfumery and organic chemistry.

Your Company is strengthening its B2C footprint through the 'WELLFA' brand and its dedicated subsidiary, Advanced Nutrazyme Private Limited. This enables deeper engagement in the nutrition and wellness space.

Revenue (₹ million)

FY 2025-26	4,674
FY 2024-25	4,053
FY 2023-24	4,185

Y-O-Y GROWTH

15%

Animal Nutrition

Animal Nutrition has emerged as a high-growth segment, driven by increasing demand for efficient and sustainable nutrition solutions. Your Company's offerings focus on enzyme-based feed additives and probiotic formulations that enhance nutrient absorption, improve digestion and support overall animal health.

These solutions not only drive better productivity and immunity but also contribute to lower feed costs and reduced environmental impact. This aligns with the evolving needs of modern animal husbandry.

Revenue (₹ million)

FY 2025-26	946
FY 2024-25	760
FY 2023-24	677

Y-O-Y GROWTH

25%

Industrial Bioprocessing

This segment reflects our focus on advancing sustainable manufacturing through enzyme-led alternatives to conventional chemistry. Harnessing microorganisms enables cleaner and more efficient processes across sectors such as agriculture and polymers. With continued emphasis on green chemistry, your Company is expanding applications while evaluating new opportunities to deepen its industrial footprint.

Revenue (₹ million)

FY 2025-26	1,176
FY 2024-25	1,018
FY 2023-24	962

Y-O-Y GROWTH

16%

Food Processing

Catering to applications such as baking and dairy, this segment focuses on improving product quality, consistency and nutritional outcomes through enzyme-based interventions. Your Company's solutions support manufacturers in responding to evolving consumer preferences for healthier and more efficient food production.

Revenue (₹ million)

FY 2025-26	967
FY 2024-25	809
FY 2023-24	776

Y-O-Y GROWTH

19%

Non-Food Processing

Focused on industrial applications such as textiles and leather, this segment delivers enzyme solutions that enhance process efficiency while reducing environmental impact. Lower chemical usage and optimised resource consumption support more sustainable manufacturing practices, while your Company continues to assess new product opportunities in these domains.

Revenue (₹ million)

FY 2025-26	209
FY 2024-25	208
FY 2023-24	186

Y-O-Y GROWTH

0.48%

Specialised Manufacturing

Your Company's manufacturing ecosystem is further strengthened by its specialised and subsidiary facilities. JC Biotech plays a critical role in producing key enzyme products, while also integrating sustainability into operations through the adoption of solar energy.

Advanced Enzymes' specialised manufacturing capabilities, led by our subsidiary SciTech, focus on customised product development using advanced effervescent based technologies. This segment continues to witness strong momentum, supported by high capacity utilisation across sachet and tablet formats.

Nutraceuticals and animal health remain key application areas, while your Company actively explores the use of effervescent technologies across new domains such as disinfectants, cosmetics and textiles washing solutions. This positions the segment as a key enabler of innovation and diversification within its manufacturing ecosystem.

Global Expansion with a Customer Centric Focus

AETL's global expansion strategy is rooted in a deep understanding of customer requirements across geographies. Strengthening presence in existing markets and entering new ones enables the delivery of tailored enzyme solutions aligned with regional dynamics. Continuous customer engagement and feedback integration enable your Company to refine its offerings, while strategic partnerships, acquisitions and joint ventures support capability enhancement and market expansion.

Revenue (₹ million)

FY 2025-26	662
FY 2024-25	539
FY 2023-24	415

Y-O-Y GROWTH

23%

INTELLECTUAL CAPITAL

Engineering Innovation Accelerating Possibilities

Innovation remains central to how your Company creates differentiated value in a rapidly evolving bio-solutions landscape. Aligning research priorities with market needs enables the development of targeted, high-impact solutions across geographies and industries.

Your Company's approach integrates advanced technologies, data-driven tools and scientific rigour to accelerate product development cycles and improve pipeline efficiency. From enzyme engineering and microbial technologies to application-led innovation, it is strengthening its capabilities to deliver scalable, market-relevant solutions while expanding the frontiers of biocatalysis and sustainable processing.

Who We Impact

- Customers
- Employees and Workers
- Investors and Shareholders
- Communities

Aligned to SDGs

- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 13 CLIMATE ACTION

01 Customisation and customer support

02 Microbial and fermentation technologies

03 Intellectual property creation and protection

06 Enzyme and probiotic discovery

05 Application development excellence

04 Process scale-up and optimisation

Performance Snapshot

₹246 million R&D investment	10 GRAS dossiers evaluated by US FDA**
7 R&D centres (India: 5, USA: 1, Germany: 1)	17 Food enzyme dossiers filed with EFSA#
400+ Proprietary products	1 Novel food dossier filed with EFSA##
68+ Enzymes and probiotics	30+ Years of fermentation expertise
15 Patents filed*	100+ Scientific professionals

* Patents include the filed applications

**No question letters received for 7 Dossiers, 2 are self-affirmed and another 1 is under evaluation

#Food Dossiers filed with EFSA, of which positive R&D opinion has been received for 13 Dossiers and 4 are under evaluation

##Novel food dossier filed with EFSA is under evaluation

All the numbers are as per IndAS

From Discovery to Deployment: R&D Engine

Discovery & Engineering

Advancing enzyme and probiotic development through precision engineering, enabling tailored solutions for specific applications

Scale-up & Process Optimisation

Strengthening fermentation scale-up, improving downstream efficiency and enhancing recovery and purification yields

Characterisation & Regulatory Readiness

Generating critical scientific data through proteomics and applied microbiology to support regulatory filings and product validation

Application Development

Designing and validating solutions across food and non-food industries through rigorous lab trials and performance optimisation

Research Ecosystem

Our integrated research ecosystem enables innovation across the value chain, supported by specialised laboratories.

- **Process Development Lab:**
  Enhances fermentation efficiency and downstream processing capabilities
- **Applied Microbiology Lab:**
  Focuses on advanced strain development using molecular techniques
- **Life Sciences Lab:**
  Develops therapeutic formulations for human and animal health
- **Food Applications Lab:**
  Innovates enzyme solutions for food quality and processing efficiency
- **Industrial Applications Lab:**
  Develops solutions for non-food sectors to improve performance and sustainability

Innovation in Action

Advanced Biocatalysis

Developing high-performance enzymes through protein engineering for use in complex and demanding industrial environments

Next-Gen Enzyme Libraries

Building diverse, application-specific libraries across bio-catalysis, nutrition and digestion

Food Innovation

Enabling cleaner-label solutions, sugar reduction, improved shelf life and enhanced nutritional profiles

Sustainable Processing

Driving biomass conversion, improving oil extraction efficiency and supporting circular economy principles

Health & Wellness Solutions

Advancing products for metabolic health, gut microbiome support and emerging clinical applications

Technology-led Differentiation

Advanced Enzymes is integrating advanced technologies such as AI-led in-silico screening, high-throughput testing and data analytics to accelerate discovery and improve precision. Your Company's investments in sustainable technologies and digital tools also enable it to reduce environmental impact while enhancing process efficiency.

Collaborations and Knowledge Networks

Your Company actively collaborates with academic institutions and industry partners to strengthen its research depth and accelerate innovation. Its focus on knowledge management ensures continuous learning, cross-functional integration and sustained capability building.

Looking Ahead

AETL continues to strengthen its R&D capabilities through focused investments, advanced scientific tools, and emerging technologies. By combining deep domain expertise with innovation-led execution, your Company is well-positioned to unlock new opportunities across bio-catalysis, healthcare and sustainable industrial solutions.

Sustaining Resources Powering Responsible Growth

Sustainability is embedded in how Advanced Enzymes operates, guiding decisions across its value chain. The approach focuses on reducing environmental impact while improving resource efficiency, ensuring that growth is both responsible and resilient. Through targeted interventions across energy, water and waste management, your Company is steadily transitioning towards more sustainable and circular operations.

Who We Impact

- Customers
- Employees and Workers
- Value Chain Partners
- Communities

Aligned to SDGs

3 GOOD HEALTH AND WELL-BEING
7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND

Driving Efficiency through Smarter Energy Use

Your Company continuously enhances energy efficiency across operations to optimise consumption and reduce emissions, while maintaining cost discipline. The focus is on improving performance across key energy-intensive processes through targeted interventions and system optimisation. Your Company also prioritises the adoption of energy-efficient technologies and renewable integration to strengthen overall efficiency and reduce dependence on conventional energy sources.

Key Initiatives

- Hot insulation of steam and utility systems
- Chilled water generation system heat recovery improvement
- Efficient performance of electrical equipment/ installation of capacitor bank/installation of variable frequency drive
- Power bill incentive and other rebate

1,471 GJ
Energy consumption from renewable sources

510 kW
Installed solar capacity

85 kg/hour
Reduction in steam consumption

2-15 Amp/hour
Reduction in blower power consumption

25 kg/hour
Reduction in steam requirement via heat recovery

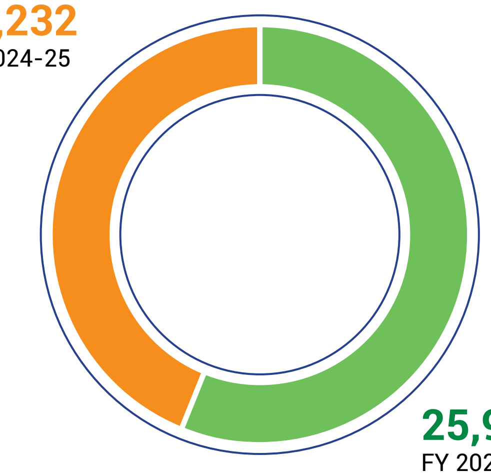
4 %
Improvement in generator kWh-to-fuel ratio

Note: All the details mentioned w.r.t natural capital are on standalone basis.

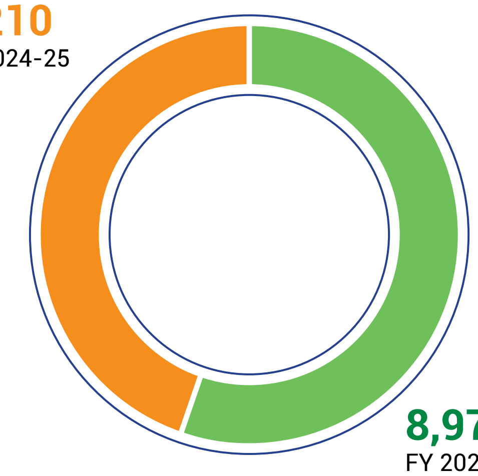
Decarbonising Operations

AETL's approach to decarbonisation focuses on systematically lowering emissions through process improvements, cleaner energy adoption and operational efficiencies. A phased and region-specific approach aligns these efforts with long-term net-zero ambitions while ensuring practical implementation across facilities. Continuous monitoring and optimisation of emission sources drive measurable progress over time.

Scope 1
GHG Emissions (tCO_2e)



Scope 2
GHG Emissions (tCO_2e)



Water Stewardship

Water management is approached through a circular lens, with a focus on reducing freshwater dependency and maximising reuse across operations. Your Company's zero liquid discharge (ZLD) framework ensures that water is treated, recovered and reintegrated into the system, minimising environmental discharge. This approach strengthens resource efficiency while supporting compliance and long-term water security.

Zero Discharge of Hazardous Chemicals (ZDHC)

MRSL Level 3.0 Conformance

Systems and Approach

- Three-stage evaporation-based ZLD system
- Effluent Treatment Plant (ETP), Mechanical Vapour Recompression (MVR) and drying systems
- Reuse of treated water across boilers, compressors, and cooling towers
- Conversion of slurry for animal nutrition products

33%
Water Recycled

16,115 KL
Treated Water Discharged

Note: GHG - Green House Gas

Closing the Loop on Waste

Your Company's waste management approach is anchored in minimising generation and maximising value recovery through reuse and recycling. Streamlined processes and adherence to regulatory frameworks ensure responsible disposal while identifying opportunities to reduce material loss. This approach supports both environmental compliance and operational efficiency.

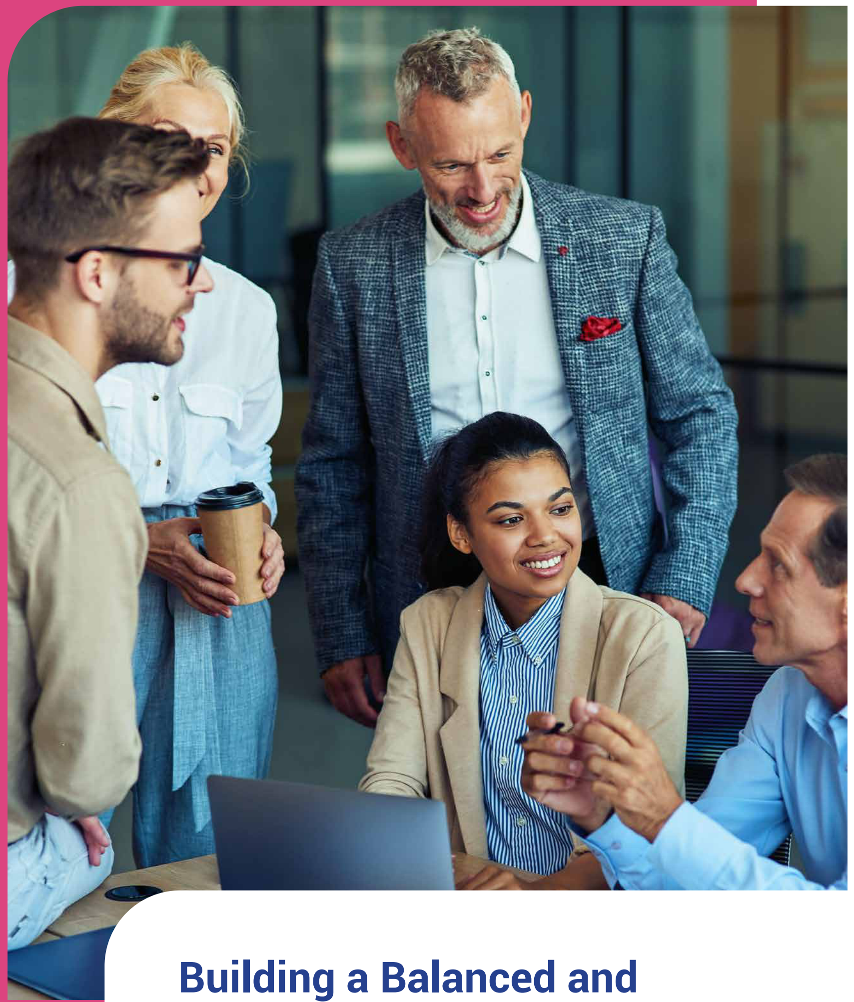
8 MT
Reduction in waste generation

337 MT
Waste reused

HUMAN CAPITAL

Empowering People Enabling Performance

People remain central to delivering sustained performance and organisational resilience for AETL. Your Company focuses on building a future-ready workforce through continuous learning, structured talent development and an inclusive, high-trust work environment. By embedding fairness, accountability and equal opportunity into people practices, Advanced Enzymes enables employees to grow, contribute meaningfully and adapt to evolving business and market requirements.



Who We Impact

- Employees and Workers
- Communities
- Government and Regulatory Bodies

Aligned to SDGs

Building a Balanced and Inclusive Workforce

Your Company continues to strengthen workforce diversity while ensuring equitable access to opportunities across roles and levels. The focus is on improving gender representation and creating an environment where individuals from diverse backgrounds can contribute effectively.

401
Total employees

Male 312

Female 89

22%
Female representation

Attracting, Developing, and Retaining Talent

Your Company's talent management approach integrates structured hiring, capability building and performance-led development to create a stable and high-performing workforce. It invests in early talent through graduate hiring programmes while enabling continuous growth through on-the-job learning, internal mobility and external development opportunities.
A robust performance management system ensures alignment between individual goals and organisational priorities, with 100% of employees covered under formal performance and career development reviews.

86%
Employee retention rate

Strengthening Capabilities for the Future

Capability development remains a key focus area, with structured training programmes designed to enhance both technical expertise and leadership potential. These initiatives are aligned with evolving business needs, ensuring employees are prepared for expanded roles and responsibilities and improving overall organisational effectiveness.

~40
Training and awareness programmes conducted

Note: All the details mentioned w.r.t. Human Capital are on standalone basis.

Fostering an Inclusive and Equitable Workplace

AETL is committed to fostering an inclusive workplace that ensures fair and respectful treatment for all employees, guided by our Equal Opportunity Policy. Your Company actively supports accessibility and equitable participation across roles, including for employees with disabilities. Diverse perspectives and experiences are valued for their role in strengthening collaboration, innovation, and overall organisational performance.

Building a Safe and Supportive Workplace

Advanced Enzymes maintains a strong focus on employee safety through a structured Occupational Health and Safety (OHS) management system supported by defined protocols, regular training and continuous monitoring. The approach extends beyond compliance to include preventive care and well-being initiatives. This includes annual health check-ups, medical consultations and flexible work arrangements, ensuring both physical and mental well-being are addressed.

ISO 45001:2018 Certified OHS Management System

0
Lost time injury frequency rate

100%
Employees covered under accidental insurance

58%
Employees trained on health and safety

99%
Employees trained on skill upgradation

Strengthening Performance through Recognition

AETL enables employee engagement through structured recognition and reward programmes that acknowledge individual and team contributions. These initiatives are designed to enhance motivation, reinforce performance culture and strengthen organisational alignment, thereby contributing to a stable workforce and controlled attrition levels.

14%
Employee turnover rate

Governance and Policies

Your Company's human resources practices are anchored in a robust policy framework that promotes ethical conduct, employee rights and a safe working environment. These policies provide clear guidance while reinforcing accountability and transparency across the organisation.

- Code of Conduct
- Human Rights and Employee Well-being Policy
- Whistle Blower Policy
- Harassment-free Workplace Policy

SOCIAL AND RELATIONSHIP CAPITAL

Committed to Communities Invested in Progress

Advanced Enzymes' approach is centred on enabling inclusive and sustainable growth through meaningful partnerships and community-focused initiatives. Collaboration with trusts and social organisations directs efforts towards creating long-term value and improving societal well-being, particularly for underserved and vulnerable communities.

Who We Impact

- Employees and Workers
- Communities
- Customers
- Value Chain Partners

Aligned to SDGs

Delivering Measurable Social Outcomes

Your Company's CSR initiatives continue to create tangible impact across communities, with a strong focus on inclusion and outreach to vulnerable groups. Its programmes are designed to address critical social needs while ensuring meaningful and measurable outcomes.

₹22.50 million
Total CSR spend

~1,861
Total beneficiaries

90+%
Beneficiaries from vulnerable and marginalised groups

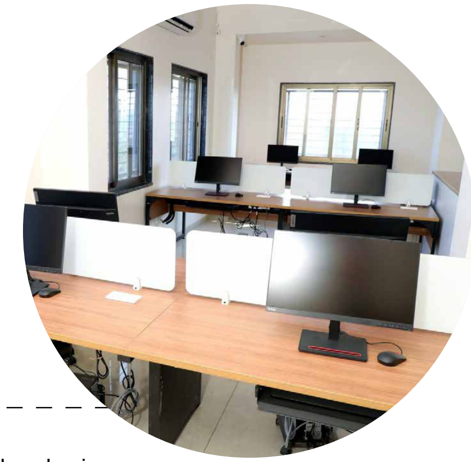
Key Focus Areas

Healthcare

Initiatives focusing on improving access to healthcare and medical support. This includes installation of water purifier system in a rural hospital at Dodi Budruk, Nashik, treatment support for Thalassemia patients through Arpan Thalassemia Society and financial assistance for critical treatments and surgeries directly or in collaboration with the Trust.

Education and Community Development

Efforts include literacy programmes and academic support through organisations such as Shri Laxminarayan Rathi Bahuuddeshiya Seva Sanstha and Spread A Smile Foundation, alongside vocational training initiatives for youth, women and individuals with disabilities. These efforts also extend to supporting education for rural children and strengthening community infrastructure, including development projects in regions such as Yeola Taluka, Nashik district.



Note: All the details mentioned w.r.t. Social & Relationship Capital are on standalone basis.

Governance

Governed with Integrity Built on Trust

A strong governance framework underpins long-term value creation, anchored in transparency, accountability and ethical conduct. Advanced Enzymes is guided by a diverse and independent Board, supported by committees that enable effective oversight, risk management and regulatory compliance. Clear policies, robust internal controls and continuous monitoring mechanisms ensure integrity in operations and protection of stakeholder interests.

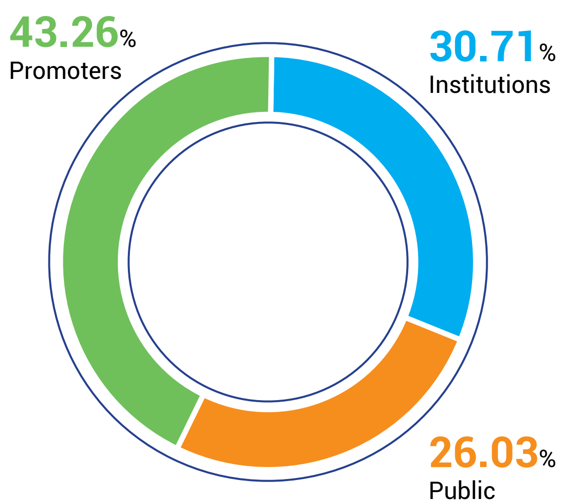
5 Independent Directors

3 Women on the Board

Ethics, Integrity and Compliance

Commitment to ethical conduct is reinforced through a comprehensive compliance framework supported by well-defined policies and internal controls. A zero-tolerance approach to corruption and bribery is embedded across operations, with clear mechanisms to identify and address misconduct. Regular training and communication initiatives ensure awareness and adherence to ethical standards, fostering a culture of accountability, transparency and trust.

Shareholding Pattern



Note: All the details mentioned above is as on March 31, 2026

Board Committees

01 Audit Committee

02 Nomination and Remuneration Committee

03 Stakeholders' Relationship Committee

04 Risk Management Committee

05 CSR Committee

Your Company's Policies

- Corporate Social Responsibility Policy
- Policy on Human Rights and Employee Well-being
- Policy on Material Subsidiaries
- Policy on Related Party Transactions
- Prevention of Sexual Harassment Policy
- Policy on Board Diversity
- Code of Conduct and Ethics
- Whistle Blower Policy
- Dividend Distribution Policy
- Prohibition of Insider Trading Code
- Code for Fair Disclosure
- Nomination and Remuneration Policy

Code of Conduct and Ethics

The Code of Conduct serves as a guiding framework for expected behaviours across the organisation, setting clear standards for integrity, fairness and professional conduct in all interactions. It provides direction on ethical decision-making, helping employees navigate situations responsibly and consistently.

The Code is reinforced through regular communication and training, ensuring that its principles are understood and applied in day-to-day operations. By embedding these standards into the organisational culture, it promotes responsible conduct, strengthens accountability and supports a work environment built on trust and respect.

Board of Directors

Guiding Strategic Direction

Mr. Vasant Rathi
Chairman and Non-Executive Director
M M M

Mr. Mukund Kabra
Whole-time Director
C M M

Ms. Rasika Rathi
Non-Executive Director
M

Mr. Vinodkumar Jajoo
Independent Director
C C C

Mr. Pramod Kasat
Independent Director
C M

Dr. Sunny Sharma
Non-Executive Director

Mr. Nitin Deshmukh
Independent Director
M M

Ms. Vandana Tilak
Independent Director
M M

Ms. Rajshree Patel
Independent Director
(Upto June 11, 2026)
M M

Mr. Pradip Shah
Additional Director (Independent)
(Effective from June 12, 2026)

- Chairman
- Member

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- CSR Committee
- Risk Management Committee

Note: Profiles of all the Board Members are hyperlinked

Management Team

Driving Execution Excellence

Mr. Beni Prasad Rauka
Group CFO and Director, Advanced Bio-Agro Tech Limited, Advanced Enzytech Solutions Limited, JC Biotech Pvt. Ltd., SciTech Specialities Pvt. Ltd. and Saiganesh Enzytech Solutions Pvt. Ltd., India
M

Mr. Sanjay Basantani
Company Secretary and Head – Legal
M

Mr. Harshad Doshi
CFO and COO, US subsidiaries

Ms. Martina Doering
Managing Director/Head of Business Development, evoxx technologies GmbH, Germany

Dr. Michael Puls
Managing Director and Head - R&D, evoxx technologies GmbH, Germany

Corporate Information

Board of Directors

Mr. Vasant Rathi
Chairman and Non-Executive Director

Mr. Mukund Kabra
Whole-time Director

Ms. Rasika Rathi
Non-Executive Director

Mr. Pramod Kasat
Independent Director

Mr. Vinodkumar Jajoo
Independent Director

Dr. Sunny Sharma
Non-Executive Director

Ms. Rajshree Patel
Independent Director
(Upto June 11, 2026)

Mr. Nitin Deshmukh
Independent Director

Mrs. Vandana Tilak
Independent Director

Mr. Pradip Shah
Additional Director (Independent)
(Effective from June 12, 2026)

Management Team

Mr. Beni Rauka
Chief Financial Officer

Mr. Sanjay Basantani
Company Secretary and Head - Legal

Mr. Harshad Doshi
Chief Financial Officer and
Chief Operating Officer
of the US subsidiaries

Ms. Martina Doering
Managing Director/
Head of Business Development,
evoxx technologies GmbH, Germany

Dr. Michael Puls
Managing Director/Head R&D,
evoxx technologies GmbH, Germany

Plants
(including subsidiaries)

A-61/62, M.I.D.C. Area, Sinnar,
Nashik - 422 103, Maharashtra

SORL, H-17, M.I.D.C, Satpur Area,
Nashik - 422 007, Maharashtra

Survey No. 30, Pali, Vasind, Shahpur,
Thane - 421 601, Maharashtra

Plot No. B-5-13, SEZ, Pithampur,
Dhar - 452 774, Madhya Pradesh

Plot No. 548 to 550, APIIC Growth
Centre, Gundlapalli Village,
Maddipadu Mandal, Prakasam District,
Ongole - 523 211, Andhra Pradesh

Unit I - A-3, STICE, Musalgaon,
Tal. Sinnar District,
Nashik - 422 112, Maharashtra

Unit II - A-12/13, STICE,
Musalgaon, Tal. Sinnar District,
Nashik - 422 112, Maharashtra

13591 Yorba Avenue, Chino,
California 91710

4880 Murrieta St., Chino,
California 91710

R&D Locations
(including subsidiaries)

A - 61/62, M.I.D.C. Area, Sinnar,
Nashik - 422 103, Maharashtra

Plot No. A-161, Main Road No. 27,
Wagle Industrial Estate,
Thane (W) - 400 604, Maharashtra

A-135, Road No. 23,
Wagle Industrial Estate,
Thane (W) - 400 604, Maharashtra

A-28, STICE, Musalgaon, Sinnar,
Nashik - 422 112, Maharashtra

Plot No. 548 to 550, APIIC Growth
Centre, Gundlapalli Village,
Maddipadu Mandal, Prakasam District,
Ongole - 523 211, Andhra Pradesh

Creative-Campus-Allee 12, 40789
Monheim am Rhein, Germany

1406 Lexington Street,
Tustin CA 92782

Registered Office

Advanced Enzyme Technologies Limited
CIN: L24200MH1989PLC051018
A - Wing, Sun Magnetica, 5th Floor,
LIC Service Road, Louiswadi,
Thane (W) - 400 604, Maharashtra
Tel: +91 - 22 - 4170 3200,
Fax: +91 - 22 - 2583 5159
Email: info@advancedenzymes.com
Website: www.advancedenzymes.com

Registrar and Transfer Agent

MUFG Intime India Private Limited
(formerly Link Intime India Private Limited)
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai – 400 083, Maharashtra
Tel No.: +91 810 811 8484
Fax No.: (022) 4918 6060
Email: rnt.helpdesk@in.mpms.mufg.com
Website: https://in.mpms.mufg.com

Statutory Auditors

MSKA & Associates LLP
Chartered Accountants
602, Floor 6, Raheja Titanium,
Western Express Highway,
Geetanjali Railway Colony,
Ram Nagar, Goregaon (E),
Mumbai - 400 063, Maharashtra

Secretarial Auditors

Mr. Shiv Hari Jalan, Shiv Hari Jalan & Co.
Practicing Company Secretary,
1055, Level 10, Hubtown Solaris,
N.S. Phadke Marg, Andheri (E),
Mumbai - 400 069, Maharashtra

Internal Auditors

Aneja Associates
Chartered Accountants
301, Peninsula Towers,
Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai - 400 013,
Maharashtra

Bankers

Citi Bank N.A.
HDFC Bank Limited

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

The global economy maintained moderate growth through 2025, supported by technology-led investment, accommodative financial conditions and resilient private sector activity. Inflation continued its gradual decline, aided by softer commodity prices and normalising supply chains. Growth, however, remained uneven, with advanced economies facing subdued demand while emerging markets, particularly in Asia, continued to outperform on the back of strong domestic consumption.

The more consequential development for global business conditions has been the geopolitical situation in West Asia. The US-Israel-Iran conflict in early 2026 triggered a partial blockade of the Strait of Hormuz, one of the world's most critical energy transit corridors, sending oil prices sharply higher. For import-dependent economies such as India, China and Thailand, this has translated into higher energy and input costs, increased logistics expenses and elevated working capital requirements. Fresh Houthi threats against vessels transiting the Red Sea and the Suez Canal corridor have raised the prospect of simultaneous disruptions across two major maritime trade routes. This is adding further pressure on freight costs and supply chain reliability.

Trade policy uncertainty has compounded these pressures. US tariff actions and the resulting supply chain realignments have prompted businesses globally to reassess sourcing dependencies, accelerating diversification away from single-source manufacturing. For specialty biochemical producers with a strong Indian base and established global distribution, this shift is creating durable sourcing opportunities. Customers across healthcare, food processing, animal nutrition and industrial applications are actively seeking reliable non-China alternatives.

If geopolitical and trade disruptions persist, global growth in 2026 and 2027 could come under pressure. Inflationary risks could rise and emerging markets may face additional strain from currency volatility and higher import bills. Companies combining supply chain resilience, sustainable process credentials and differentiated science-led products are better placed to navigate this environment.

(Sources: Special Eurasia, Thomson Reuters)

E - Estimated | P - Projected | CY - Calendar Year

(Source: International Monetary Fund, World Economic Outlook Projections, April 2026)

Indian Economy

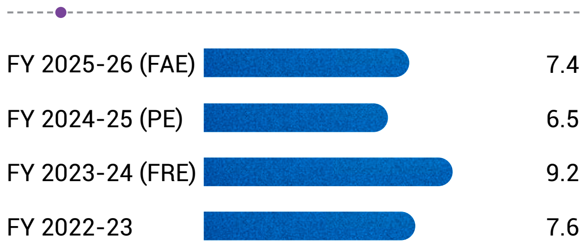
India's economic performance in FY 2025-26 was broad-based and resilient, sustaining the country's position as the fastest growing major economy globally. Rural demand strengthened on the back of healthy agricultural output and normal monsoon conditions. Urban consumption held firm, supported by formal job creation and steady credit expansion.

Public capital investment continued to anchor growth, with government spending on infrastructure, logistics and digital public infrastructure improving supply-side efficiencies across the economy. The financial sector remained in good health, with strong bank capitalisation, improved asset quality and healthy credit growth supporting both investment and consumption. India's ability to attract sustained foreign direct investment, underpinned by policy stability and a large skilled workforce, has added further durability to this foundation.

The external position remained broadly stable, with foreign exchange reserves at adequate levels. India's dependence on oil imports, however, keeps it exposed to global energy price movements, with potential consequences for inflation, the current account and currency stability. Food price volatility and supply-side pressures remain additional watchpoints on the inflation front.

Against this backdrop, biotechnology and specialty ingredients are emerging as a sector of growing strategic significance. Policy support for domestic life sciences manufacturing and rising investment in agri nutrition are creating a more supportive environment for Indian producers in this space. The global shift towards sustainable enzyme based alternatives to chemical and thermal processes is adding to this momentum. As global buyers accelerate China+1 diversification, customers across healthcare, food processing, animal nutrition and industrial applications are actively seeking science-led Indian suppliers with proven global credentials.

GDP Growth Projections (%)



PE – Provisional Estimate, FAE – First Advance Estimate, FRE – First Revised Estimates

(Source: Ministry of Statistics and Programme Implementation)

Industry Overview

Enzymes Market

Market Size

The global enzymes market continues to witness steady growth, driven by its expanding application across a wide spectrum of end-use industries. Valued at US$ 15.2 billion in 2025, the market is projected to grow from US$ 16.1 billion in 2026 to US$ 28.5 billion by 2035, at a CAGR of 6.5%.

The Indian enzymes market is witnessing robust growth, supported by increasing industrial adoption and a favourable policy environment. The market was valued at US$ 500.1 million in 2025 and is projected to reach US$ 952.5 million by 2034, growing at a CAGR of 7.42% during 2026-34.

Enzymes play a critical role in the synthesis of active pharmaceutical ingredients (APIs) and the production of biologics, underpinning their growing relevance in the healthcare sector. Their application is also increasing in nutraceuticals and sports nutrition, alongside broader industrial adoption driven by the need for efficient and sustainable processing solutions.

Their high specificity, efficiency and eco-friendly nature reduce reliance on harsh chemicals and lower energy consumption, aligning well with the global shift towards green and sustainable manufacturing. The market outlook remains positive, supported by advancements in biotechnology, rising consumer preference for natural products and a favourable regulatory environment. Continued innovation in enzyme engineering and immobilisation technologies is further expected to expand application areas and sustain long term growth.

Emerging Trends

- **Customised enzyme solutions:** Growing demand for application-specific enzymes is driving the development of tailored solutions that enhance process efficiency, optimise performance and address unique industry requirements.
- **Multi-enzyme systems:** The adoption of enzyme cocktails and multi-biocatalyst systems is increasing as industries seek integrated solutions capable of delivering improved outcomes across a broader range of applications.
- **Sustainability-driven applications:** Enzyme usage is expanding into emerging areas such as wastewater treatment and biofuel production, highlighting the sector's growing contribution to sustainability and the transition towards a greener economy.

Key Demand Drivers

- **Industrial expansion:** Growing scale across pharmaceuticals, nutraceuticals, animal feed, food processing, detergents, textiles and paper & pulp is driving wider enzyme adoption across regions.
- **R&D focus:** Increased investments in biotechnology and protein engineering are enabling the development of more efficient enzymes. This is improving yield, reducing process time and enhancing product quality across food and beverages, animal nutrition and specialty ingredients.
- **Eco-friendly solutions and processes:** Rising preference for eco-friendly solutions, combined with increasing emphasis on energy efficient and low-chemical processes, is accelerating the adoption of enzyme based technologies across industries. This shift is enabling reduced energy consumption, minimised chemical usage and improved yields.
- **Consumer-led segments:** Growing use of enzymes in personal care and cleaning products is also driving demand. This is supported by evolving consumer preference for safer, cleaner and more sustainable alternatives to harsh chemicals.
- **Regulatory and policy support:** Sustained government emphasis on biotechnology and innovation, via targeted policies, grants and supportive regulations, is also creating a favourable environment, accelerating market expansion.

(Source: gminsights, imarcgroup)

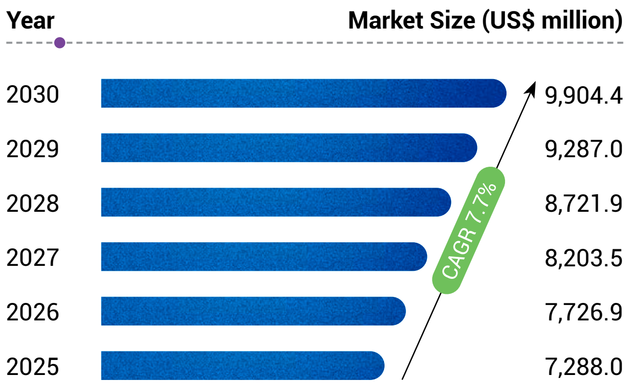
Industrial Enzymes Market

Market Size

The global industrial enzymes market is growing steadily, driven by the accelerating shift towards sustainable manufacturing and green chemistry practices. Valued at US$ 7,288.0 million in 2025, it is projected to reach US$ 9,904.4 million by 2030, reflecting sustained adoption across both food and non-food industrial applications.

Non-food segments are emerging as a key growth engine, with industries such as textiles, leather and pulp & paper increasingly integrating enzyme based solutions to improve process efficiency, reduce chemical intensity and meet evolving environmental standards. Innovation remains a key pillar of this growth, with continuous advancements enhancing enzyme specificity, stability and scalability across diverse applications, enabling their deployment across more complex industrial workflows.

Global - Market Size and Forecast 2025-2030

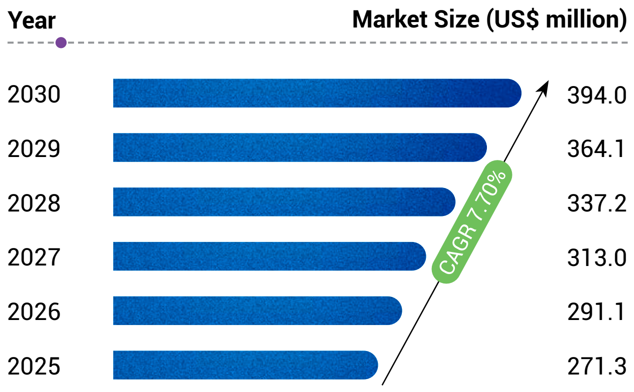


(Source: Global Industrial Enzymes Market 2026-2030, Technavio)

The Indian industrial enzymes market is experiencing strong growth, supported by expanding end-use industries and increasing focus on sustainable processing. Valued at US$ 271.3 million in 2025, the market is projected to reach US$ 394 million by 2030, growing at a CAGR of 7.7%. India ranked as the third-largest market in 2025 and is expected to retain its position through 2030, growing at a pace that outstrips the overall global market.

The non-food segment, in particular, is witnessing steady expansion, driven by increasing on-ground adoption across core industrial sectors and a gradual shift towards cleaner processing practices. The detergent and cleaning segment is also emerging as a key demand driver, with enzymes enabling effective stain removal at lower temperatures, supporting water and energy savings and aligning with growing consumer preference for high performance yet environmentally responsible solutions.

India - Market Size and Forecast 2025-2030



(Source: Global Industrial Enzymes Market 2026-2030, Technavio)

Emerging Trends

- **Transition towards green chemistry and sustainable processing:**

  Enzymes are increasingly replacing conventional chemical processes, enabling lower energy consumption, reduced emissions and minimal chemical waste across industrial applications.

- **Advancements in enzyme engineering and performance optimisation:**

  Ongoing developments in protein engineering and biotechnology are enhancing enzyme specificity, stability and scalability, enabling deployment across more complex and large scale industrial processes.

- **Deepening integration across industrial value chains:**

  Enzyme usage is expanding from selective applications to multi stage integration across industries such as textiles, leather, pulp & paper, detergents and pharmaceuticals.

- **Shift towards high performance, biodegradable solutions:**

  Rising demand for environmentally responsible and high efficiency solutions, particularly in cleaning, industrial maintenance and processing, is accelerating enzyme adoption.

- **Convergence with global regulatory and sustainability benchmarks:**

  Tightening environmental norms and increasing alignment with global standards on emissions, water usage and chemical discharge are reinforcing the role of enzymes as a preferred alternative.

Key Demand Drivers

- **Growth in end-use industries:**

  Rising production volumes in textile, leather and pulp & paper industries, especially in export oriented clusters, are increasing the demand for enzyme based processing to enhance quality, improve yield and reduce reprocessing costs.

- **Export compliance and sustainability requirements:**

  Stringent international standards in sectors such as textiles and leather are pushing manufacturers to adopt enzyme based processes to meet environmental and quality benchmarks.

- **Rising demand for energy-efficient cleaning solutions:**

  Increased adoption of enzyme based detergents is being driven by the need for effective performance at lower temperatures, supporting energy and water savings.

- **Cost optimisation through process efficiency:**

  Enzymes are enabling reduced water usage, lower energy consumption and decreased reliance on harsh chemicals, making them economically viable for large-scale industrial adoption.

- **Policy support and biotechnology ecosystem development:**

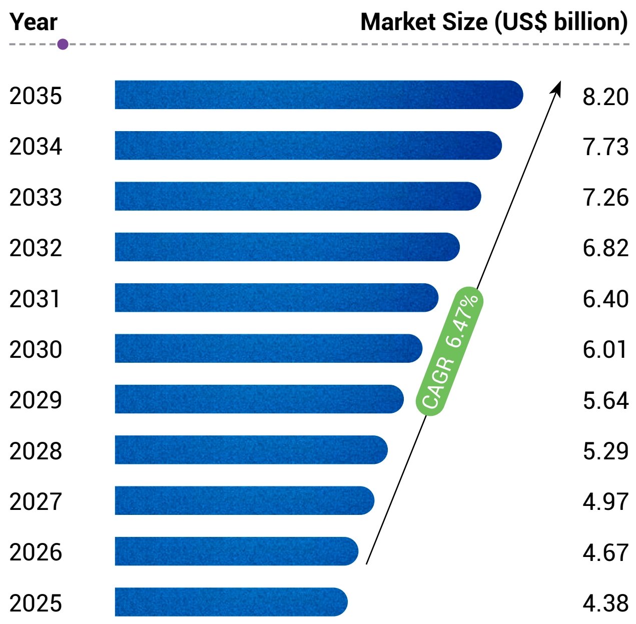
  Government-led initiatives and investments in biotechnology are supporting domestic enzyme production, innovation and adoption across industries.

Human Healthcare Enzymes Market

Market Size

The global healthcare specialty enzymes market is witnessing steady growth, supported by rising demand for advanced diagnostics and targeted therapeutic solutions. The market was valued at US$ 4.38 billion in 2025 and is projected to grow from US$ 4.67 billion in 2026 to approximately US$ 8.20 billion by 2035, at a CAGR of 6.47% during 2026-2035.

Global Healthcare Specialty Enzymes Market Size 2025-2035



(Source: Precedence Research)

In India, the healthcare specialty enzymes market is following a similar growth trajectory, with increasing adoption of high purity enzymes across pharmaceuticals, diagnostics, biotechnology research and biocatalysis for human health applications. The dietary supplements segment is emerging as a strong demand driver for digestive and specialty enzymes. This growth is further supported by rising consumer awareness around gut health, immunity and overall wellness, accelerating the uptake of enzyme based formulations across healthcare applications.

Emerging Trends

- **Shift towards precision and preventive healthcare:** Advances in biotechnology and a deeper understanding of enzymatic functions are enabling more targeted applications across diagnostics, therapeutics and personalised medicine.
- **Rising role of enzymes in clinical applications:** Enzymes are increasingly being integrated into drug development, disease management and diagnostic processes, expanding their relevance in modern healthcare.
- **Growing preference for natural wellness solutions:** Digestive enzyme supplements are gaining traction as consumers shift towards gut-health-focused, non-synthetic alternatives.
- **Digital and retail channel evolution:** E-commerce platforms and organised nutraceutical distribution networks are enhancing accessibility, awareness and reach of enzyme based products.

Key Demand Drivers

- **Increasing burden of chronic diseases:** Rising incidence of cancer, cardiovascular disease and metabolic disorders is driving the demand for enzyme based interventions across treatment and care.
- **Expansion of dietary and sports nutrition segments:** Higher health consciousness and fitness awareness are accelerating adoption of enzyme supplements in lifestyle oriented categories.
- **Demographic and income tailwinds:** An ageing population, rising disposable incomes and rapid urbanisation are supporting increased spending on healthcare and wellness products.
- **Improving healthcare access and infrastructure:** Broader access to healthcare services and the growth of organised nutraceutical channels are enabling wider market penetration.

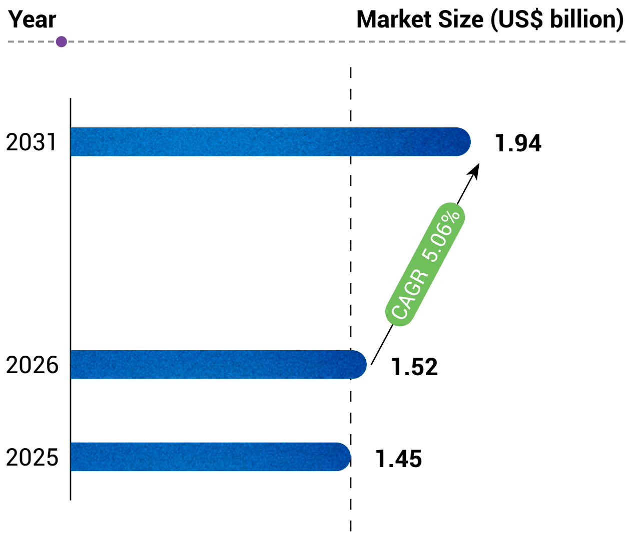
(Source: Precedence Research)

Feed Enzymes Market

Market Size

The global feed enzymes market continues to expand steadily, driven by the increasing need for efficient and sustainable animal nutrition solutions. The market is projected to grow from US$ 1.45 billion in 2025 to US$ 1.52 billion in 2026 and further to US$ 1.94 billion by 2031, at a CAGR of 5.06% during 2026-2031.

Global Feed Enzymes Market Size



(Source: Mordor Intelligence)

India's feed enzymes market is steadily expanding, supported by the growing scale and commercialisation of the livestock and aquaculture sectors. The market was estimated at US$ 42.70 million in 2025 and is projected to reach US$ 44.73 million in 2026, while further growing to US$ 56.39 million by 2031, at a CAGR of 4.75%.

Emerging Trends

- **Efficiency-led feed optimisation:** Increasing use of enzymes to improve digestibility, enhance nutrient absorption and address anti-nutritional factors, improving feed conversion and animal performance.
- **Shift away from antibiotic growth promoters:** Regulatory restrictions on in-feed antibiotics are accelerating the adoption of enzyme based alternatives such as carbohydrases and phytases to maintain productivity while ensuring compliance.
- **Focus on low-emission livestock production:** Growing emphasis on reducing methane emissions in dairy and beef farming is expanding the role of enzymes in improving sustainability outcomes.
- **Advancements in enzyme stability and performance:** The development of heat stable enzymes is enabling their effective integration into feed pelleting processes, enhancing consistency and efficacy.
- **Dominance of carbohydrases in feed applications:** Carbohydrases continue to lead the segment owing to their critical role in improving nutrient availability and overall feed efficiency.
- **Broadening scope of enzyme applications:** Enzyme usage is expanding beyond traditional applications to address evolving nutritional, regulatory and environmental requirements in animal nutrition.

Key Demand Drivers

Global

- **Alternatives to antibiotics:** Enzymes are emerging as effective, natural substitutes to support animal health and performance amid tightening regulations on antibiotic use on animals.
- **Sustainable farming focus:** Greater emphasis on environmentally responsible agriculture is driving enzyme adoption to reduce waste and improve feed efficiency.
- **Technological advancements:** Ongoing R&D is enabling the development of more targeted and high performance enzyme solutions.

Domestic

- **Growing livestock production:** India has one of the largest livestock populations globally, with increasing demand for milk and poultry products driving the need for nutritionally efficient feed solutions. Rising commercialisation of dairy and poultry farming is further accelerating enzyme adoption to improve feed conversion ratios and productivity.
- **Aquaculture expansion:** India is among the leading aquaculture producers globally, with strong growth in shrimp and fish farming. Increasing export demand and intensification of aquaculture practices are driving the need for specialised feed formulations, supporting enzyme usage to enhance digestion and reduce feed costs.
- **Improved distribution networks:** Stronger partnerships between enzyme manufacturers, feed mills and large integrators are improving market reach, product availability and technical support, leading to wider adoption.
- **Evolving regulatory framework:** Strengthening quality standards and oversight by bodies such as BIS and FSSAI are enhancing product credibility. This is driving greater acceptance of scientifically formulated feed additives, including enzymes.
- **Vertical integration:** Leading players are increasingly establishing manufacturing and supply chain infrastructure closer to key agricultural regions. This is improving supply reliability and enabling faster market penetration.
- **Shift towards scientific feeding practices:** Increasing awareness among farmers and integrators regarding balanced nutrition and performance optimisation is driving the transition from traditional feed to enzyme fortified formulations.

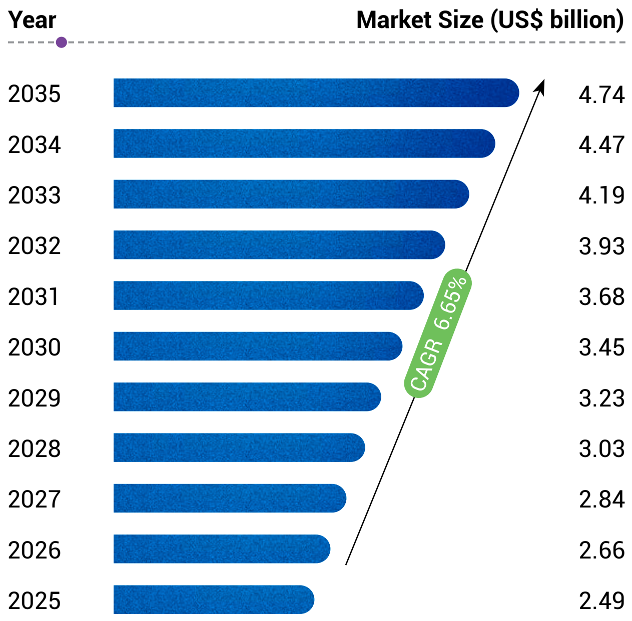
(Source: Mordor Intelligence-Global, Mordor Intelligence-Domestic)

Food Enzymes Market

Market Size

The global food enzymes market is witnessing steady growth, driven by evolving consumer preferences and expanding applications across food processing. Valued at US$ 2.49 billion in 2025, the market is projected to reach approximately US$ 4.74 billion by 2035, at a CAGR of 6.65%.

Global Food Enzymes Market Size 2025-2035



(Source: Precedence Research)

The Indian food enzymes market is witnessing steady growth, supported by the rapid expansion of the food processing industry and evolving consumer preferences. The market was valued at US$ 475.1 million in 2025 and is projected to reach US$ 790.3 million by 2034, growing at a CAGR of 5.82% during 2026-2034.

Emerging Trends

- **Clean-label and natural ingredients:** Growing preference for minimal and recognisable ingredients is supporting enzyme usage as a natural alternative to synthetic additives.
- **Functional food applications:** Increasing demand for health-focused foods is expanding enzyme applications across fortification, digestive health and specialised nutrition segments.
- **Customised enzyme solutions:** Development of application-specific enzyme blends is gaining traction, enabling food manufacturers to optimise process outcomes and improve product consistency.
- **E-commerce expansion:** Improved accessibility through digital channels is broadening the reach of enzyme based and fortified products to a wider consumer base.
- **Digital integration:** Increasing use of technology in food processing is enabling more precise and efficient enzyme application, reducing waste and improving process control.

Key Demand Drivers

- **Rising processed food demand and lifestyle shifts:** Urbanisation, growth in nuclear families and a larger working population with limited time for meal preparation are driving increased consumption of packaged and convenience foods. This is supporting broader enzyme usage across food processing applications.
- **Food & beverage industry expansion:** Growth of the organised food processing sector is creating sustained demand for enzyme solutions. Additionally, expanding applications across alcoholic and non-alcoholic beverages are adding to this momentum.
- **Health awareness and nutrition focus:** Increasing consumer awareness around nutrition, digestive health and clean-label products is driving demand for functional and enzyme based food solutions. Digestive and functional applications are among the fastest-growing categories.
- **Technological advancements and product enhancement:** Progress in biotechnology and increased R&D investments are enabling the development of more efficient, application-specific enzymes. Enzymes are increasingly used to improve texture, flavour, aroma, shelf life, nutritional value, as well as food preservation and waste reduction.
- **Policy support:** Government initiatives promoting food processing are fostering a favourable ecosystem for enzyme adoption.

(Source: Precedence Research, Imarc Group)

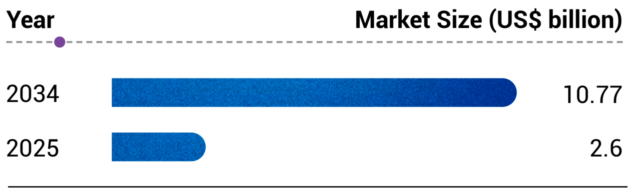
Probiotics Market

Market Size

The global probiotics market is rapidly expanding due to rising consumer demand for gut health products, preventive healthcare and functional foods. Innovations in strains, personalised nutrition and supportive regulatory frameworks are further accelerating this momentum. Estimated at US$ 93.13 billion in 2025, the market is projected to reach US$ 138.63 billion by 2030 growing at a CAGR of 8.28%.

Within this broader landscape, the Indian probiotics market is witnessing robust growth, supported by increasing awareness of the link between digestive wellness and overall immunity, particularly across urban and semi-urban populations. The rising incidence of lifestyle-related digestive disorders, coupled with favourable government initiatives promoting functional foods and nutraceuticals, continues to accelerate adoption. The market was valued at US$ 2.6 billion in 2025 and is projected to reach US$ 10.77 billion by 2034, growing at a CAGR of 17.09% during 2026-2034.

India - Market Size and Forecast 2025-2034



(Source: Imarc Group)

Emerging Trends

- **Mainstreaming of functional nutrition:** Probiotics are increasingly integrated into everyday foods and beverages as consumers shift towards health enhancing dietary choices.
- **Diversification of application formats:** Probiotic ingredients are finding wider use across dairy, cereal based and non-dairy segments, broadening their application base.
- **Shift towards stable ingredient formats:** Growing inclination toward dry and powdered probiotic formats due to their superior stability during storage and flexibility in formulation.
- **Science-backed product positioning:** Increasing reliance on clinical research and validation is supporting health claims and building consumer trust.
- **Advancements in formulation technologies:** Innovations are improving probiotic viability, delivery efficiency and compatibility across a wider range of products.
- **Expansion into new use cases:** Continuous product innovation is enabling probiotics to move beyond traditional applications into diverse food and beverage categories.

Key Demand Drivers

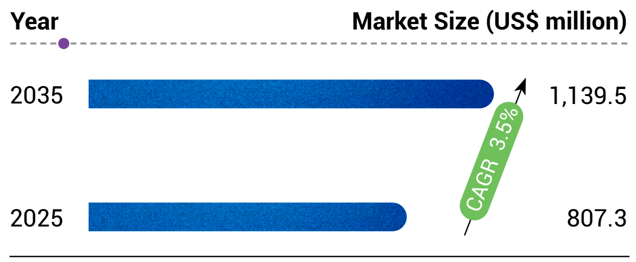
- **Rising prevalence of gastrointestinal disorders:** Increasing incidence of conditions such as constipation, irritable bowel syndrome, diarrhoea and colorectal disorders is driving demand for probiotic-based solutions.
- **Growing geriatric population:** An ageing population with higher susceptibility to digestive health issues is supporting increased consumption of probiotic products.
- **Health consciousness:** Greater consumer awareness is driving a shift towards functional foods and probiotic-enriched products.
- **Immunity focus:** Heightened demand for immunity boosting solutions, particularly post-pandemic, is accelerating probiotic adoption.
- **Product innovation:** Introduction of dairy-free, allergen-free and sugar-free variants is expanding the consumer base.
- **Changing lifestyles:** Urbanisation, rising incomes and on-the-go consumption patterns are supporting demand for convenient health solutions.
- **E-commerce expansion:** Growth of quick-commerce and digital platforms is improving accessibility and driving market penetration.
- **Nutritional gaps:** Changing dietary habits and the resulting micronutrient deficiencies are increasing reliance on probiotics for better nutrient absorption.
- **Government support:** Policy incentives promoting the food and nutraceutical sectors are creating a favourable growth environment.

(Source: Global Probiotics Market Size and Forecast 2021-2030, IMARC Group)

Pet Probiotics Market

The global pet probiotics market is witnessing steady growth, supported by rising pet ownership and increasing focus on animal health and nutrition. Estimated at US$ 807.3 million in 2025, the market is projected to reach US$ 1,139.5 million by 2035, at a CAGR of 3.5%.

Global - Market Size and Forecast 2025-2035



(Source: Future Market Insights)

Emerging Trends

- **Product innovation and targeted formulations:** Ongoing R&D is enabling development of strain-specific probiotics tailored to different species, breeds and life stages.
- **Evolution of delivery formats:** Introduction of chewable tablets, powders and liquid supplements is improving ease of administration and overall product effectiveness.
- **Premiumisation and multifunctionality:** Demand is rising for advanced formulations that combine probiotics with prebiotics, vitamins and other nutrients.

Key Demand Drivers

- **Rising pet health awareness:** Pet owners are increasingly focused on digestive health, immunity and overall well-being, driving demand for targeted probiotic solutions.
- **Functional benefits of probiotics:** Probiotics are increasingly used to address digestive imbalances, improve nutrient absorption and enhance coat and skin health.
- **Shift towards preventive pet care:** Greater emphasis on long-term health management is driving adoption of probiotic-enriched food and supplements.

Nutraceuticals Market

Market Size

The global nutraceuticals market continues to expand steadily, driven by increasing consumer focus on preventive healthcare and overall wellness. Valued at US$ 626.19 billion in 2025, it is projected to grow from US$ 672.29 billion in 2026 to approximately US$ 1,102.94 billion by 2035, at a CAGR of 5.82% during 2026-2035.

Global Nutraceuticals Market Size 2025-2035

Year	Market Size (US$ billion)
2035	1,102.94
2034	1,055.21
2033	1,007.48
2032	959.75
2031	912.02
2030	864.29
2029	816.56
2028	768.83
2027	721.65
2026	672.29
2025	626.19

CAGR 5.82%

(Source: Precedence Research)

The Indian nutraceuticals market is witnessing strong and sustained growth, driven by increasing health awareness and a structural shift towards preventive healthcare. It was valued at US$ 8.93 billion in 2025 and is projected to reach US$ 23.09 billion by 2034, growing at a CAGR of 11.14% during 2026-2034.

The nutraceuticals market, comprising dietary supplements, functional foods and beverages and protein products, is expanding as consumers focus on preventive healthcare and wellness.

In India, dietary supplements lead in consumption and pharmaceutical channel distribution, followed by functional foods and protein supplements. Demand is driven by rising incidence of lifestyle diseases such as diabetes, cardiovascular conditions and obesity, along with higher disposable incomes and growing health awareness.

Emerging Trends

- **Personalised nutrition:** Consumer demand for customised solutions based on individual health needs and lifestyles is growing steadily.
- **Plant-based supplements:** Preference for plant-derived and vegan nutraceutical products is rising, supported by broader dietary shifts towards natural ingredients.
- **Clean-label products:** Growing demand for minimally processed products is driving preference for transparent ingredient profiles.
- **Integration with traditional medicine:** Modern science is increasingly being blended with ayurvedic and herbal formulations, particularly in the Indian market.
- **Digital health integration:** Apps, wearables and digital platforms are enabling more personalised approaches to nutrition and health tracking.

Key Demand Drivers

- **Health awareness and preventive healthcare shift:** Increasing focus on wellness, nutrition, immunity and preventive healthcare, post-pandemic, is driving the daily incorporation of nutraceuticals and dietary supplements. Rising healthcare costs are further encouraging consumers to adopt preventive solutions.
- **Lifestyle diseases and weight management concerns:** Growing incidence of diabetes, obesity, cardiovascular conditions and other lifestyle related diseases is accelerating demand for nutraceuticals, including weight management and metabolic health products.
- **Fitness trends and active lifestyles:** Rising participation in fitness activities is boosting demand for sports nutrition and performance enhancing nutraceuticals.
- **Demographic shifts and ageing population:** An ageing population with higher nutritional requirements is driving demand for products supporting joint health, cognitive function and overall vitality.
- **Urbanisation and lifestyle changes:** Sedentary habits, changing dietary patterns and increasing urbanisation are creating nutritional gaps, driving higher consumption of nutraceuticals.
- **Rising disposable incomes:** Higher per capita income, particularly in emerging markets, is enabling increased spending on premium and specialised health products.
- **Retail and e-commerce expansion:** Growth of organised retail and digital platforms is improving accessibility and penetration, especially across Tier 2 and 3 markets.
- **Product innovation and expanding solutions:** Continuous development of new formats and targeted nutraceutical solutions is expanding the addressable market.
- **Policy and government support:** Favourable policies, including 100% FDI allowance and investments in healthcare infrastructure, are strengthening the sector and supporting growth.

(Sources: Precedence Research, IMARC Group)

Enzyme Industry: SWOT Analysis

Strengths

- **Robust market growth and expanding applications:** The global enzymes market continues to witness steady growth, driven by increasing adoption across food processing, pharmaceuticals, biofuels, animal nutrition and industrial manufacturing. It is projected to expand at a CAGR of 6.5% from 2026 to 2035.
- **Technological advancements in enzyme engineering:** Advances in biotechnology, including machine-learning-guided enzyme design, synthetic biology and high-throughput screening, are accelerating the development of high performance enzymes with improved stability, activity and specificity.
- **Diverse and versatile application base:** Enzymes remain integral across industries, enabling process efficiency, cost optimisation and sustainability benefits in sectors ranging from healthcare to industrial processing.
  - **Food processing:** Used to improve texture, enhance flavour, extend shelf life and increase the nutritional value of food products.
  - **Biofuels:** Critical in breaking down biomass into fermentable sugars for the production of ethanol and other biofuels.
  - **Pharmaceuticals:** Integral to drug development and the manufacturing of biopharmaceutical products.
  - **Textile and leather processing:** Enable cleaner processing by reducing chemical usage while improving operational efficiency.

  This wide-ranging applicability across industries reduces dependence on any single segment and supports diversified growth.
- **Sustainability alignment:** Growing emphasis on sustainable processes is accelerating the shift towards enzymes as alternatives to conventional chemical methods. Their use helps lower energy consumption and reduce waste across sectors such as biofuels, textiles, detergents and food processing. This alignment with global environmental priorities positions the industry favourably amid tightening regulatory norms and increasing focus on green manufacturing.

Weaknesses

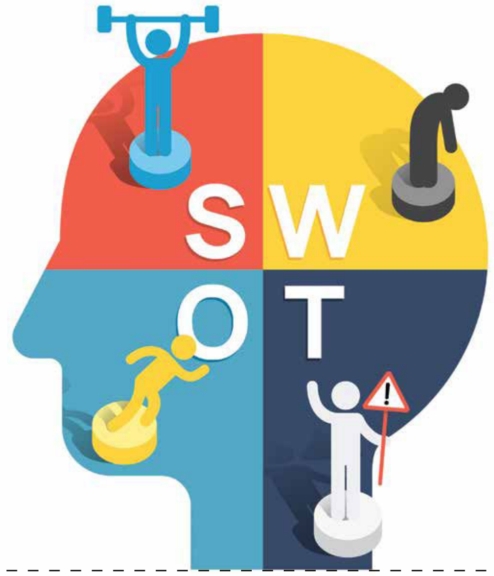
- **Elevated production costs:** Enzyme manufacturing is inherently capital-intensive, requiring advanced biotechnological processes, specialised infrastructure and skilled expertise. This results in a higher cost structure, which can limit penetration in cost-sensitive markets and among smaller industry participants.
- **Regulatory complexity across markets:** The industry operates within stringent and often fragmented regulatory frameworks. In the United States, enzymes classified under food additives or Generally Recognised as Safe (GRAS) categories must undergo detailed safety evaluations by the United States Food and Drug Administration (US FDA). In Europe, approvals under Regulation EC No. 1332/2008 are frequently delayed due to harmonisation challenges across member states. Managing such multi-region compliance requirements can be resource-intensive and may slow down product commercialisation.
- **Process sensitivity and operational constraints:** Performance of enzymes is highly dependent on controlled conditions such as temperature, pH and substrate environment. Maintaining these parameters at scale adds operational complexity and increases processing costs across industrial applications.
- **Dependence on specific biological inputs:** Production processes rely on select microbial strains and plant-based raw materials. Variability in availability or quality, driven by environmental disruptions or geopolitical developments, can affect production stability and supply consistency.

Opportunities

- **Sustainability-led shift towards green chemistry:** As ESG expectations tighten globally in 2026, industries are increasingly transitioning away from conventional chemical processes towards enzymatic alternatives. Applications such as bio-bleaching, waste treatment and eco-friendly detergents are witnessing strong adoption, positioning enzymes at the core of sustainable manufacturing practices.
- **Growth in emerging economies:** Rapid industrialisation and rising consumption across markets such as India, China, Brazil and South Africa continue to drive demand for enzymes. Brazil remains a key market in South America, supported by biofuels and animal nutrition demand, while India is emerging as one of the fastest-growing markets due to expansion in food processing and pharmaceuticals.
- **Rising demand for specialised enzymes:** Customised enzyme solutions designed for niche applications, such as lactose-free dairy, gluten-free foods and nutraceutical formulations, are gaining traction. This trend is supported by increasing consumer awareness around health and wellness, alongside advancements in biotechnology.
- **Expansion into B2C health and wellness segments:** A notable industry shift is underway, with enzyme manufacturers moving beyond traditional B2B models into direct-to-consumer offerings. Segments such as gut health, preventive nutrition and specialty nutraceuticals are emerging as high-growth, high-margin opportunities.
- **Increasing role in biofuel production:** With governments promoting renewable energy adoption, enzymes such as cellulases are becoming essential in the conversion of biomass into ethanol and other biofuels, reinforcing their importance in the global energy transition.
- **Advancements in biotechnology and digital innovation:** Progress in enzyme engineering, supported by machine learning, synthetic biology and high-throughput screening, is accelerating the development of next-generation enzymes. These innovations are expanding application potential across pharmaceuticals, industrial processing and green chemistry.

Threats

- **Competition from conventional alternatives:** Chemical catalysts continue to act as cost-effective substitutes in certain applications. To maintain competitiveness, enzyme manufacturers must consistently demonstrate superior efficiency, cost benefits and sustainability advantages.
- **Volatility in raw material costs:** Prices of key microbiological and plant-based inputs remain susceptible to fluctuations due to environmental factors and geopolitical disruptions, impacting production costs and margin stability.
- **Macroeconomic and supply chain pressures:** Global inflationary trends, elevated interest rates and ongoing supply chain realignments are contributing to uncertainty in input availability and pricing. These factors can disrupt procurement cycles and affect overall cost structures.
- **Economic Slowdown impacting demand:** Periods of economic uncertainty can dampen industrial output and consumer spending, leading to reduced demand across key end-use sectors such as food processing, pharmaceuticals and industrial manufacturing.
- **Public perception around GMO usage:** Concerns regarding the use of genetically modified organisms in enzyme production continue to influence consumer sentiment and market acceptance. Building trust through transparency, regulatory compliance and effective communication remains essential.



Company Overview

Advanced Enzyme Technologies Limited (also referred to as 'Advanced Enzymes', or 'Your Company') is a science-led, research-focused organisation with an established global presence in the enzymes and probiotics industry. It is among the largest Indian players engaged in the research, development, manufacturing and marketing of over 400 proprietary products derived from a portfolio of more than 65 indigenous enzymes and probiotics.

Your Company is committed to delivering eco-conscious and sustainable solutions across a wide range of industries, including human healthcare and nutrition, animal nutrition, baking, fruit and vegetable processing, brewing and malting, grain processing, protein modification, dairy processing, textile processing, leather processing and other specialty applications. Each solution is designed to improve product quality, enhance process efficiency and support industries in transitioning from traditional thermal, chemical and mechanical processes to enzyme integrated, sustainable alternatives.

Access to effective healthcare, improved animal nutrition and responsible industrial processing are at the core of your the Company works towards. Having pioneered enzyme manufacturing in India, Advanced Enzymes continues to lead advancements in research and the development of new applications across industries. Its structural advantages, including low overheads, in-house fermenter development and over three decades of technical expertise, have enabled your Company to deliver consistently strong margins.

Advanced Enzymes Company operates through Four wholly owned direct subsidiaries, Four direct subsidiaries and Five step-down wholly owned subsidiaries, with a presence across more than 45 countries. It focuses on building long-term customer relationships through customised enzyme solutions, technical expertise and superior service.

Subsidiaries

Your Company operates through a diversified subsidiary network that strengthens its global presence and enhances its capabilities across multiple segments and geographies.

Advanced Enzymes USA (AEU)

AEU, a wholly owned direct subsidiary, primarily serves the North American and Latin American markets through its subsidiaries, Cal-India Foods International (doing business as Specialty Enzymes and Biotechnologies), Advanced Supplementary Technologies Corporation, Enzyme Innovation Inc. and Starya Labs Inc. In FY 2025-26, AEU reported consolidated revenue of ₹2,122 million and a profit after tax (PAT) of ₹784 million.

Advanced Supplementary Technologies Corporation (AST)

AST, a wholly owned subsidiary of AEU, is a leading manufacturer of enzyme based nutraceutical supplements supporting cardiovascular health, anti-inflammatory functions, joint health, digestion and colon health. Its products use non-genetically modified, natural ingredients that undergo rigorous testing by a team of scientists and specialists. AST focuses on delivering high-quality, safe and effective formulations to support healthy lifestyles.

Cal-India Foods International (doing business as Specialty Enzymes and Biotechnologies - SEB)

Established in 1985, SEB is a wholly owned subsidiary of AEU and a prominent enzyme producer in the Western Hemisphere. It provides comprehensive enzyme solutions for healthcare and nutrition markets across North and Latin America. SEB is known for its expertise in developing customised enzyme blends and a wide portfolio of high performance products.

Enzyme Innovation Inc. (EI)

EI, a wholly owned subsidiary of SEB, focuses on marketing and business development of industrial enzymes across the Americas. It serves industries such as baking and milling, brewing and malting, fruit and vegetable processing, animal feed, protein modification, grain alcohol, pulp and paper, waste management, wine and detergents. EI specialises in delivering customised solutions tailored to specific industry requirements.

Starya Labs Inc. (Starya)

Starya, California, US, was formed as a wholly owned subsidiary of Advanced Enzymes, US in FY 2024-25 through spin-off and transfer of enzyme/probiotic laboratory testing services together with certain assets and liabilities related to the SEB. It is an ISO-17025 certified analytical laboratory that delivers comprehensive testing services for raw materials and finished products.

Advanced Bio Agro Tech Limited (ABTL)

Incorporated in 2004, ABTL is a subsidiary (60% stake) of your Company focused on enzyme based solutions for animal nutrition, particularly in poultry and cattle. It has established a strong presence in the Indian sub-continent and key Southeast Asian markets, including Vietnam, Thailand, Malaysia and the Philippines. In FY 2025-26, ABTL reported revenue of ₹556 million and PAT of ₹66 million.

Advanced Enzytech Solutions Limited (AESL)

AESL, a wholly owned subsidiary incorporated in 2008, provides eco-friendly enzyme solutions for industries such as textiles, leather, paper, detergents and cleaning aids. It focuses on replacing conventional chemical processes with sustainable, enzyme based alternatives. In FY 2025-26, AESL reported revenue of ₹171 million and PAT of ₹14 million.

JC Biotech Private Limited (JC Biotech)

Incorporated in 1991, JC Biotech operates in the nutraceutical, biopharmaceutical and biochemical segments. It became a subsidiary of your Company in 2016, with the shareholding subsequently increased to 95.72%. In addition to its existing product portfolio, it is exploring opportunities in algae-based DHA production. In FY 2025-26, JC Biotech reported revenue of ₹728 million and PAT of ₹29 million.

Scitech Specialities Private Limited (Scitech)

Scitech, acquired in 2021 (51% stake), is a manufacturer of specialty effervescent products with presence across India, Southeast Asia, the Middle East, North Africa, Eastern Europe, the US, Canada and Australia. In FY 2025-26, Scitech reported revenue of ₹669 million and PAT of ₹45 million.

Saiganesh Enzytech Solutions Private Limited (Saiganesh Enzytech)

Saiganesh Enzytech specialises in extraction and processing of papain enzyme from papaya latex. Incorporated in 2022, the Company acquired a 50% stake in January 2023. The enzyme is widely used in food and human nutrition applications. In FY 2025-26, it reported revenue of ₹157 million and PAT of ₹22 million.

Advanced Enzymes Europe B.V. (AEE BV)

AEE BV, a wholly owned subsidiary based in the Netherlands, serves as your Company's European platform and holds 100% equity in evoxx Technologies GmbH. In FY 2025-26, AEE BV reported consolidated revenue of ₹319 million and PAT of ₹25 million.

evoxx technologies GmbH (evoxx)

evoxx, a wholly owned subsidiary of AEE BV, is an industrial biotechnology company focused on the development of enzymes and bioactive ingredients such as oligosaccharides and polysaccharides, primarily for food and health applications. Drawing on a strong scientific team, evoxx develops innovative ingredients aimed at delivering measurable health benefits to consumers. In FY 2025-26, evoxx reported revenue of ₹319 million and PAT of ₹50 million.

Advanced Nutrazyme Private Limited (ANPL)

ANPL is a wholly owned subsidiary of Advanced Enzymes, incorporated in 2025. ANPL has been established to operate with a focus on developing and offering a range of nutrition and wellness products. The formation of ANPL aligns with your Company's strategy to strengthen its presence in the high-growth nutrition and wellness space and expand its portfolio beyond core enzyme offerings. In FY 2025-26, ANPL reported revenue of ₹0.02 million.

Manufacturing Facilities

Advanced Enzymes operates a network of nine world-class manufacturing facilities globally, equipped with large-scale capabilities across fermentation, recovery, purification and formulation. These facilities cater to a diverse set of industries, including animal nutrition, nutraceuticals, pharmaceuticals, poultry, cosmetics and other specialty segments. All manufacturing plants are certified to ISO and WHO cGMP standards, reflecting adherence to the highest benchmarks of quality and safety. Facilities in the US are primarily focused on the mixing and blending of enzymes and probiotics.

Business-wise Performance

During the year, the enzymes and bio-solutions industry operated in a volatile environment shaped by geopolitical tensions, including the ongoing US-Iran-Israel conflict. Disruptions in energy markets, particularly constraints in natural gas availability, led to a shift towards alternate fuels, resulting in a notable increase in coal prices, thereby impacting manufacturing costs for fermentation-led processes.

Input cost pressures intensified across key materials. Prices of packaging materials and plastics witnessed sharp escalation, while salts and solvents also recorded consistent increases, affecting downstream processing and formulation costs.

Supply chain dynamics remained challenging, with transportation, freight forwarding and insurance costs rising significantly, impacting both sourcing and global distribution efficiency. On the demand side, inflationary pressures in key markets such as the US, along with workforce rationalisation, led to more cautious consumption, particularly in discretionary nutrition and wellness segments.

Despite these near-term headwinds, the industry continues to benefit from structural demand drivers, including the increasing shift towards sustainable, bio-based and process-efficient solutions across food, healthcare and industrial applications.

Human Nutrition

The Human Nutrition vertical remained the largest contributor to your Company's overall revenue during FY 2025-26, reporting ₹4,674 million and registering a growth of 15% year-on-year. The segment continues to benefit from a diversified geographic mix, with domestic and international markets contributing 32% and 31%, respectively (₹2,406 million from India and ₹2,268 million from overseas markets).

Enzymes

Within Human Nutrition, the enzymes portfolio was led by Serratiopeptidase, your Company's key anti-inflammatory product. The molecule contributed 23% to consolidated revenue, with sales increasing to ₹1,732 million during FY 2025-26 from ₹1,193 million in the previous year, reflecting steady demand across key markets.

Probiotics

The Probiotics business continued to scale, driven by its increasing incorporation into blended and application based solutions. Consolidated probiotic revenues stood at ₹216 million during FY 2025-26, supported by growing demand across gut health, immunity and wellness categories.

Note: All the numbers mentioned under the Business-wise Performance section are on consolidated basis.

Biocatalysts

The Biocatalysts segment continued to gain traction, reporting revenues of ₹247 million during the year compared to ₹174 million in the previous year. Your Company is advancing enzyme based solutions aimed at replacing traditional chemical processes across pharmaceuticals, perfumery and agriculture, with encouraging early-stage customer validation.

Animal Nutrition

The Animal Nutrition vertical delivered strong growth during the year, with revenue of ₹946 million, reflecting a year-on-year increase of 25%. Growth was driven by the commercialisation of products supported by long-term registrations in Asian markets, along with improving traction in the domestic market. The focus remains on enzyme-led feed solutions that enhance nutrient absorption and overall animal performance.

Bioprocessing

The Bioprocessing business recorded an overall growth of 16% during FY 2025-26, with mixed performance across its sub-segments.

Food Processing

The Food Processing business witnessed a strong recovery during the year, with revenues reaching ₹967 million, reflecting a growth of 19% year-on-year. Performance was supported by robust demand across baking and dairy applications in both India and the European markets.

Non-Food Processing

The Non-Food Processing business, which primarily caters to textile and leather industries, remained largely stable, registering revenue of ₹209 million, a marginal growth of 0.2% during the year. While demand conditions remain moderate, your Company continues to explore opportunities to expand enzyme based applications as industries gradually shift towards more sustainable processing practices.

Developments During FY 2025-26

Intellectual Property Development

Your Company has filed three patent applications focused on sugar management technologies, mitigation of gluten sensitivity/intolerance and biocatalysis applications in pharmaceuticals, respectively.

Dossier Filing with US FDA

Three GRAS dossiers have been filed with the US FDA. These applications support the use of food processing enzymes in baking, brewing, starch processing and oligosaccharide production.

Incorporation of Advanced Nutrazyme Private Limited

ANPL was incorporated in July 2025 as a wholly owned subsidiary to expand your Company's presence in the nutrition and wellness segment. The subsidiary will focus on the development, sales and distribution of nutrition and wellness products, supporting portfolio diversification beyond core enzyme offerings.

Collaboration for Setting Up of a Group Captive Wind Power Plant

The Board has approved the collaboration of the Company for a group captive wind power project through a Special Purpose Vehicle (SPV), with an investment of up to 26% equity stake as a captive user. This marks a step towards increasing renewable energy usage and strengthening long-term energy sustainability.

Research and Development

Advanced Enzymes operates a robust global R&D network comprising seven state-of-the-art facilities across India, the US and Germany. These facilities are dedicated to developing, validating and scaling up innovative technologies for commercial enzyme production. The centres specialise in cloning industrial enzymes in safe microbial hosts, including strains for thermostable and mesophilic enzymes. Specialised labs focus on process development, applied microbiology, life sciences and industrial applications, optimising enzyme solutions for diverse industries.

Your Company is establishing a new R&D centre in Nashik to significantly enhance its innovation scale and technical leadership in enzymes. The facility is being designed to accelerate the discovery, engineering and commercialisation of advanced enzyme solutions, with focused capabilities in strain development, protein engineering and fermentation. It will play a critical role in building differentiated, high performance products and advancing your Company's expansion into industrial enzymes. The centre is expected to be operational in the latter half of FY 2026-27.

To accelerate innovation, Advanced Enzymes has strengthened its digital and analytical capabilities through deployment of advanced protein engineering data management tools and AI-driven in silico platforms. Combined with high-throughput screening systems and improved screening methodologies, these tools enable faster evaluation of variants, better traceability and reduced development timelines.

Your Company continues to expand its enzyme libraries and develop next-generation engineered proteins for applications across food, nutrition and biocatalysis. Recent innovations include solutions for pharmaceutical intermediates, bakery applications, industrial biomass hydrolysis, sugar reduction and enhanced protein digestion, improving process efficiency, product quality and customer profitability.

In probiotics and nutraceuticals, your Company is advancing clinically relevant solutions targeting gut health, carbohydrate metabolism and allergy management. These solutions are supported by proprietary enumeration techniques and advanced digestion models for humans and pets.

Advanced Enzymes also collaborates with customers to replace conventional chemical processes with enzymatic solutions, improving yields, reducing impurities and addressing effluent treatment challenges. Through such initiatives, it continues to promote sustainable, bio-based alternatives across industries including pharmaceuticals and animal nutrition.

FY 2025-26

3
Patents Filed

3
GRAS Dossiers Filed

₹246 million
R&D Expenditure

As on March 31, 2026

15
Patents*

17
Food Enzyme Dossiers Filed with the EFSA**

10
GRAS Dossiers Filed with the USFDA***

*Includes filed applications

**Positive opinion received on 13 dossiers, 4 under evaluation.

***No question letter received for 7 dossiers, 2 are self-affirmed but under evaluation with US FDA and another 1 is under evaluation.

Financial Overview

Revenue from Operations

Your Company's consolidated revenue from operations stood at ₹7,458 million in FY 2025-26 as compared to ₹6,369 million in FY 2024-25. This includes international sales of ₹3,731 million, reflecting a growth of 8% from FY 2024-25 and domestic sales of ₹3,727 million, reflecting a growth of 28% from FY 2024-25. Revenue generated from international and domestic sales was equally distributed, with both segments contributing 50% to your Company's total revenue.

Finance Costs

Finance costs stood at ₹26 million in FY 2025-26 as compared to ₹35 million in FY 2024-25.

Profitability

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), excluding other income, stood at ₹2,291 million in FY 2025-26 as compared to ₹1,944 million in FY 2024-25. Profit after tax (PAT) was ₹1,736 million during FY 2025-26 increased by 30% as compared to ₹1,340 million during FY 2024-25.

Other Income

Other income for FY 2025-26 was ₹348 million in comparison to ₹330 million in FY 2024-25.

Depreciation and Amortisation

Depreciation and amortisation for FY 2025-26 changed to ₹401 million as compared to ₹365 million in FY 2024-25.

Net Worth and Returns

As of March 31, 2026, shareholders' net worth stood at ₹16,320 million in FY 2025-26, as against ₹14,209 million in the previous financial year. Return on Equity (RoE) was 11% in FY 2025-26, as compared to 10% in FY 2024-25. (Return ratio is calculated based in average shareholders' funds).

Cash and Cash Equivalents

Cash and cash equivalents stood at ₹1,159 million in FY 2025-26, as compared to ₹1,077 million in the previous financial year.

Details of significant changes (i.e., change of 25% or more as compared to the immediately preceding financial year) in key financial ratios, along with detailed explanation:

Particulars	FY 2025-26	FY 2024-25	Variance (%)	Rationale
Current Ratio (times)	9.78	9.09	8	NA
Debt–Equity Ratio (times)	0.01	0.02	(50)	Due to increase in the shareholders' equity and lower utilisation of working capital
Inventory Turnover Ratio	4.21	4.05	4	NA
Debtors' Turnover Ratio	5.14	5.52	(7)	NA
Operating Profit Margin (%)	31%	31%	Nil	NA
Net Profit Margin (%)	23%	21%	9	NA
Interest Coverage Ratio	71.92	44.39	60	Due to reduction in the interest expenses on account of lower utilization of working capital and increase in the EBIT

Outlook

Your Company remains focused on delivering a sustainable growth trajectory, supported by its core Human and Animal Nutrition segments and increasing geographic diversification across Asia and Europe. Proactive measures to manage external disruptions, including tariff related challenges, are aimed at protecting market share while ensuring customer continuity.

Innovation continues to anchor growth, with a focused pipeline of advanced enzymatic, probiotic and biocatalyst solutions across human nutrition, food and industrial applications. Advanced Enzymes is prioritising high impact, scalable products, supported by strong internal capabilities and growing emphasis on proprietary research and scientific validation. Investments in R&D remain a priority, with a new large scale R&D centre under development in Nashik, expected to be operational in the second half of FY 2026-27.

In Human Nutrition, the Company is advancing its B2C strategy through the incorporation of Advanced Nutrazyme Private Limited, creating a dedicated platform to scale its wellness portfolio, including the WELLFA brand. Currently at an early stage, this segment is expected to evolve into a meaningful long-term growth driver. In Animal Nutrition, the Company continues to build momentum through product registrations and expansion of enzyme based feed solutions that enhance nutritional efficiency and performance across key markets.

Your Company continues to evaluate disciplined inorganic opportunities, particularly in animal nutrition and probiotics, targeting capabilities that offer strong technical and geographic synergies.

Product development is increasingly aligned towards high-value, sustainable solutions, with a growing focus on biocatalysis as a green alternative to conventional chemical processes across pharmaceuticals and allied industries. Your Company is also advancing applications in high-protein foods and specialised formulations, including integrated enzymes & probiotics solutions.

Sustainability remains embedded across operations and innovation, with continued focus on bio-based solutions and increasing adoption of renewable energy to improve efficiency and reduce environmental impact.

Risk Management

Risk Category	Market Risks & Threats	Mitigation Strategies
Geopolitical & Trade	Exposure to shifting global trade policies, tariffs and geopolitical uncertainties that may impact demand and market access.	Agile cost management practices, including supply chain adjustments, inventory planning and selective price optimisation to mitigate external shocks.
Market & Competitive	Intensifying competition and pricing pressures across key markets and product categories.	Technical differentiation through research-backed offerings, continuous product innovation and expansion into new application areas.
Regulatory & Compliance	Increasingly stringent and evolving regulatory requirements across global markets, potentially affecting product approvals and continuity.	Proactive investment in regulatory filings, approvals and compliance frameworks to ensure sustained market access and future growth.
Operational & Financial	Variability in business performance due to demand cycles, customer procurement patterns and operational contingencies.	Focus on operational excellence, efficiency improvements and long-term performance tracking to enhance stability and margins.
Innovation & Technology	Risk of technological disruption and emergence of new or alternative solutions impacting existing offerings.	Continued investment in research and development, capacity expansion and advancement of core technologies to stay ahead of industry shifts.
Environmental & Energy	Dependence on conventional energy sources and exposure to energy cost fluctuations.	Transition towards sustainable energy solutions and efficiency initiatives to ensure cost stability and environmental responsibility.
Intellectual Property	Potential infringement may dilute returns on R&D and weaken competitive positioning.	Ongoing patent filings, along with protection through trademarks and trade secrets.
Consumer Demand	Changing consumer preferences may impact demand for existing products.	Continued investment in R&D and product innovation to stay aligned with evolving trends.
Product Quality	Failure to meet quality standards may result in recalls, liabilities and reputational impact.	Robust quality control processes, multi-stage testing and adherence to global standards.
Foreign Exchange	Currency fluctuations may affect export realisations and margins.	To manage this risk, the Company may need to implement strategies, including hedging, diversification and monitoring market developments.

Material Developments in Human Resources/Industrial Relations

Advanced Enzymes continues to emphasise on building a people centric organisation by nurturing talent and fostering a positive, performance driven workplace culture. Its focus remains on attracting skilled professionals and supporting their development through structured learning, well-being and engagement initiatives.

Employees are provided with opportunities for continuous learning, collaboration and access to resources that enable them to perform and grow. Your Company also prioritises safe and healthy working conditions, while encouraging a culture of agility, innovation and adaptability.

Inclusivity and open communication remain central to your Company's approach, with initiatives aimed at strengthening team cohesion and cultivating a sense of belonging. It remains aligned with evolving industry requirements, ensuring that its workforce is future-ready and equipped to meet emerging challenges.

As of March 31, 2026, your Company employed over 400 employees (standalone basis), representing diverse backgrounds and capabilities, across its operations.

Internal Control Systems and their Adequacy

Strengthening governance through robust internal controls and proactive risk management, your Company ensures operational integrity and resilience across its operations. It has established a comprehensive internal control framework to drive efficient operations, ensure regulatory compliance and enable timely risk identification and mitigation. A structured two-way communication mechanism across levels supports swift response to evolving internal and external factors. Risk management is embedded within business processes, with departments maintaining risk registers to track key exposures and mitigation actions. The framework is periodically reviewed by internal auditors to ensure its effectiveness.

The IT function continues to enhance systems to address evolving security needs and improve operational responsiveness. Internal financial controls are regularly evaluated and tested, with oversight from both internal and external auditors, ensuring strong governance and reliability.

Cautionary Statement

The Management Discussion and Analysis (MD&A) may include forward-looking statements reflecting your Company's current expectations on future developments, business outlook and financial performance. These statements are subject to various known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied. The assumptions underlying these statements are based on information available at present and may change in response to evolving internal and external conditions. These forward-looking statements are made as of the date of this report and your Company does not undertake any obligation to update them in light of subsequent events or developments.

BOARD'S REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

Dear Members,

Your Board of Directors ("**Board**") is pleased to present the 37th Annual Report of Advanced Enzyme Technologies Limited ("**Company**") along with the Audited financial statements for the financial year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

The financial performance of your Company for the financial year ended March 31, 2026 is summarized below:

(₹ in million)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations	**4,528**	**3,514**	**7,458**	**6,369**
EBITDA	**1,104**	**706**	**2,291**	**1,944**
Less:				
Finance Cost	2	2	26	35
Depreciation and Amortisation	121	114	401	365
Add:				
Other income	634	615	348	330
Profit before exceptional items and Tax	**1,615**	**1,205**	**2,212**	**1,874**
Exceptional items	38	0	(114)	0
Profit Before Tax (PBT)	**1,577**	**1,205**	**2,325**	**1,874**
Less: Provision for Taxation				
Current tax	271	169	566	495
Deferred tax	(12)	12	22	39
MAT credit entitlement	-	-	3	(2)
Tax adjustment for earlier years	-	-	(1)	2
Tax expenses	**259**	**181**	**589**	**534**
Profit for the year	**1,318**	**1,024**	**1,736**	**1,340**
Surplus Brought Forward from the Previous Year	5,147	4,696	11,531	10,795
Amount Available for Appropriations	5,891	5,147	13,267	12,135
Earnings Per Share (Amount in ₹)				
Basic	11.78	9.16	15.08	11.72
Diluted	11.76	9.15	15.06	11.71

Revenue – Consolidated

Your Company's revenue from operations on a consolidated basis increased to ₹ 7,458 million in the financial year 2025-26 ("FY26") from ₹ 6,369 million in the financial year 2024-25 ("FY25"), a growth rate of 17%. The total revenue comprises international sales amounting to ₹ 3,731 million (FY25 - ₹ 3,464 million), an increase of 8% and domestic sales amounting to ₹ 3,727 million (including Export Incentives of ₹ 8 million) (FY25 - ₹ 2,905 million (including Export Incentives of ₹ 4 million)), an increase of 28%.

Your Company's domestic sales constitute about 50% of revenue from operations during FY26 as compared to 46% of revenue from operations during FY25. International sales were 50% of revenue from operations as compared to 54% of revenue from operations during FY25.

Revenue - Standalone

Your Company's revenue from operations on a standalone basis is ₹ 4,528 million in FY26 from ₹ 3,514 million in FY25, an increase of 29%. The total revenue comprises international sales of ₹ 1,521 million (FY25 - ₹ 1,270 million), an increase of 20% and domestic sales at ₹ 3,007 million (including Export Incentives of ₹ 7 million) (FY25 - ₹ 2,244 million (including Export Incentives of ₹ 4 million)), an increase of 34%.

The domestic sales constitute 66% of revenue from operations during FY26 as compared to 64% of revenue from operations during FY25. International sales is 34% of revenue from operations during FY26 as compared to 36% of revenue from operations during FY25.

Profits - Consolidated

EBITDA (Earnings before interest, tax, depreciation & amortization excluding other income) during FY26 was ₹ 2291 million (31%) as compared to ₹ 1944 million (31%) during FY25, an increase of 18%.

Profit before tax stood at ₹ 2325 million (31%) during FY26 as against ₹1,874 million (29%) in the previous year, an increase of 24%. Profit after tax stood at ₹ 1736 million during FY26 as compared to ₹ 1,340 million during FY25, an increase of 30%.

Profits - Standalone

EBITDA during the year under review was at ₹ 1104 million (24%) as compared to ₹ 706 million (20%) in FY25. Profit before tax stood at ₹ 1,577 million during FY26 as compared to ₹ 1,205 million in FY25, an increase of 31%. Profit after tax stood at ₹ 1,318 million during FY26 as compared to ₹ 1,024 million during FY25, an increase of 29 %.

DIVIDEND

During the financial year under review, the Board of Directors of your Company had declared an Interim Dividend @ 200% i.e. ₹ 4 per Equity Share of face value of ₹ 2 each for the financial year 2025-26, aggregating to about ₹ 447.52 million (subject to deduction of taxes, as applicable).

Pursuant to the Dividend Distribution Policy of the Company, the Board of Directors has recommended a final Dividend @ 67.5 % i.e. ₹ 1.35 per Equity Share of face value of ₹ 2 each for the financial year 2025-26 ("**FY26**"), aggregating to about ₹ 151.10 million (subject to deduction of taxes, as applicable) i.e. an increase of 12.5% on the previous year final Dividend.

The final Dividend payout is subject to approval of the Members at 37th Annual General Meeting ("AGM") of your Company.

The Dividend Distribution Policy of the Company is available on the website of the Company at www.advancedenzymes.com/investors/corporate-governance/#codes-and-policies.

In accordance with the provisions of the Income Tax Act, 2025 as amended, the dividend declared and paid by the Company is taxable in the hands of its Members and the Company is required to deduct tax at source ('TDS') from dividend paid to the Members at the applicable rates.

RESERVES

During the FY26, your Company has not transferred any amount to the General Reserves.

EMPLOYEES STOCK OPTION PLAN

The Members of the Company approved Advanced Enzyme Technologies Limited – Employees Stock Option Scheme 2022 ("**ESOP Scheme 2022**") and related matters on August 19, 2022 at the 33rd Annual General Meeting of the Company. Your Company has received the In-principle approval from BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

During the reporting period:

(i) the Security Allotment Committee at its meeting held on October 07, 2025 allotted 45,650 Equity Shares of face value of ₹ 2 per share pursuant to the Exercise of the Stock Options under ESOP Scheme 2022. Consequent to the said allotment, the paid-up share capital of the Company increased from ₹ 223,762,300 comprising of 111,881,150 Equity Shares of ₹ 2 each to ₹ 223,853,600 comprising of 111,926,800 Equity Shares of ₹ 2 each.

(ii) the Nomination and Remuneration Committee through its circular resolution on March 27, 2025 approved the grant of 512,500 Stock Options under ESOP Scheme 2022. Out of which, 53,225 Stock Options vested on March 28, 2026. Based on the Exercise of Stock Options, the Board at its meeting held on May 09, 2026 allotted 49,350 Equity Shares. Consequent to the said allotment, the paid-up share capital of the Company increased to ₹ 223,952,300 comprising of 111,976,150 Equity Shares of ₹ 2 each.

The disclosure pertaining to the said ESOP Scheme 2022 as required under the Act and SEBI SBEB Regulations are provided on the website of the Company under the tab 'Details of Employees Stock Option' at www.advancedenzymes.com/investors/shareholder-information

The Company has received a certificate from Mr. Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., Practicing Company Secretaries that ESOP Scheme 2022 has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (as amended) ["**SEBI SBEB Regulations**"] and the resolutions passed by the Members in the General meeting. The certificate will be placed at the ensuing AGM for inspection by the Members of the Company.

FINANCIAL STATEMENTS

The financial statements of your Company for the year ended March 31, 2026 are prepared in accordance with the Indian Accounting Standards ("**IND AS**"), read with the provisions of Section 129 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**"), rules framed thereunder and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force) ["**SEBI Listing Regulations**"] and forms part of this Integrated Annual Report.

The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2026.

SUBSIDIARIES

Your Company has 13 (thirteen) subsidiaries as on March 31, 2026 as listed below:

Domestic Subsidiaries:

1. Advanced Bio-Agro Tech Limited (60%) ["**ABAT**"];
2. Advanced EnzyTech Solutions Limited (100%) ["**AESL**"];
3. JC Biotech Private Limited (95.72%) ["**JCB**"];
4. SciTech Specialities Private Limited (51%) ["**SciTech**"]
5. Saiganesh Enzytech Solutions Private Limited (50%) ["**Saiganesh**"]
6. Advanced Nutrazyme Private Limited (100%) ["**Nutrazyme**"] (w.e.f. July 04, 2025)

In terms of the financial performances:

(i) ABAT's revenue for FY26 was ₹ 556 million (previous financial year ["FY25"] - ₹ 479 million), and Profit after Tax for FY26 was ₹ 66 million (FY25: ₹ 36 million).

(ii) AESL's revenue for FY26 was ₹ 171 million (FY25 - ₹ 183 million), and Profit after Tax for FY26 was ₹ 14 million (FY25: ₹ 22 million).

(iii) JCB's revenue for FY26 was ₹ 728 million (FY25 - ₹ 600 million), and Profit after Tax for FY26 was ₹ 29 million (FY25: ₹ 12 million).

(iv) SciTech's revenue for FY26 was ₹ 669 million (FY25 - ₹ 542 million), and Profit after Tax for FY26 was ₹ 45 million (FY25: ₹ 37 million).

(v) Saignesh's revenue for FY26 was ₹ 157 million (FY25 - ₹ 213 million), and Profit after Tax for FY26 was ₹ 22 million (FY25: ₹ 16 million).

(vi) Nutrazyme's revenue for FY26 was ₹ 0.02 million (FY25 - NA), and Profit after Tax for FY26 was ₹ (0.17) million (FY25: NA)

International Subsidiaries:

1. Advanced Enzymes USA (100%)

   A. Advanced Supplementary Technologies Corporation (100% Subsidiary of Advanced Enzymes USA) ;

   B. Cal-India Foods International (doing Business as Specialty Enzymes and Biotechnologies) (100% Subsidiary of Advanced Enzymes USA);

   C. Enzyme Innovation Inc. (100% Subsidiary of Cal-India Foods International);

   D. Starya Labs Inc. (100% Subsidiary of Advanced Enzymes USA)

   In terms of the consolidated financial performance of Advanced Enzymes USA, the revenue for FY26 was ₹ 2,122 million (FY25: ₹ 2,342 million), and Profit after Tax for FY26 was ₹ 784 million (FY25: ₹ 714 million).

2. Advanced Enzymes Europe B.V. (100%) ["**AEE**"]

   In terms of the consolidated financial performance (including its subsidiary, evoxx technologies, GmbH), AEE's revenue for FY26 was ₹ 319 million (FY25 - ₹ 214 million), and profit for FY26 was ₹ 25 million (which includes about ₹ 71 million of operational profit, ₹ 9 million of other income, ₹ 10 million of deferred tax reversal, ₹ 61 million of amortization expense and ₹ 4 million of finance cost) as compared to loss of ₹ 30 million for FY25.

3. evoxx technologies GmbH (100% subsidiary of AEE) ["**evoxx**"]

   For FY26, the revenue for evoxx was ₹ 319 million (FY25 - ₹ 214 million) and profit for FY26 was ₹ 50 million including operational profit of ₹ 72 million (FY25 – negative impact on the bottom line by ₹ 39 million including operational loss of ₹ 11 million) and charge of ₹ 27 million (FY25 – ₹ 28 million) of an amortization expense.

The Policy for determining Material Subsidiaries is available on the website of the Company: www.advancedenzymes.com/investors/corporate-governance. During the year under review, Cal-India Foods International in USA was a Material Subsidiary of your Company based on the criteria specified in the SEBI Listing Regulations.

A separate statement containing the salient features of the financial performance of subsidiaries in the prescribed Form AOC-1 is annexed to the financial statements of the Company. The Audited Consolidated financial statements together with Auditors' Report forms an integral part of the Annual Report.

The individual financial statements and other reports of the Company's subsidiaries have not been attached to the financial statements of the Company for FY26. Pursuant to the provisions of Section 136 of the Act read with the SEBI Listing Regulations, the financial statements of the subsidiaries and related information are uploaded on the website of your Company and can be accessed on the web link, www.advancedenzymes.com/investors/quarterly-updates/financial-results and also available for inspection, during working hours at the registered office of the Company on working days except Saturdays and Sundays, up to the date of 37th AGM of the Company. Any Member desirous of conducting inspection and/or of seeking information on the Annual financial statements of the Company's subsidiaries may write and intimate in advance, to the Company Secretary.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

During the year under review:

(i) Based on the approval of the Board of Directors of your Company, a wholly owned subsidiary in the name of Advanced Nutrazyme Private Limited was incorporated on July 04, 2025. An initial investment of ₹ 0.5 million has been made by the Company towards subscription of Equity Share Capital of the said subsidiary. It will be engaged in the business of the marketing and sales of various nutraceutical and wellness products under the brand name 'WELLFA'.

(ii) The Board of Directors of your Company approved a collaboration of the Company with a developer engaged in the development of group captive wind power project, to avail and meet the power / electricity requirement of up to 1.9 MW through wind energy for the Plants of the Company at Sinnar, Maharashtra and Pithampur in Madhya Pradesh. In such case, the developer would undertake the group captive wind power plant project through a Special Purpose Vehicle company ("SPV") wherein the buyer of the wind power is required to invest in at least 26% of the said SPV as per the requirement of the applicable laws. In view of this, once the developer/in-principle terms are finalized and the requisite agreements formalized, the Company will be required to invest in upto 26% Equity shares of such SPV either singly or including the other consumer(s), if any, with the total investment amount in the said Equity Shares not to exceed ₹ 16.20 million. In view of this, the Company may not proceed further with the earlier approved group captive Solar power project.

The details are available on the website of the Company at www.advancedenzymes.com/investors/announcements-notices

Except as mentioned above, no other entity has become or ceased to be a Subsidiary, Joint Venture or Associate of the Company during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of your Company, Subsidiaries and its Business including Risks, Opportunities and Threats are given in the Management Discussion and Analysis, as required under the SEBI Listing Regulations, which is provided in separate section and forms an integral part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief and based on the information and explanations provided to them, confirm that:

(i) in the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

(ii) appropriate accounting policies have been selected and applied consistently and judgments and estimates are made reasonably and prudently so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

(iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts have been prepared on a 'going concern' basis;

(v) Proper internal financial controls are devised to ensure compliance with all the provisions of the applicable laws and that such internal financial controls are adequate and are operating effectively; and

(vi) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

RISK MANAGEMENT

Your Company understands that controlling risks through a formal program is a necessary component and an integral cornerstone of Corporate Governance. Your Company has adopted Risk Assessment & Management policy which embeds the vision that a robust Risk Management system ensures commensurate controls and monitoring mechanism for smooth and efficient management of Business. The Policy outlines the framework for identification, measurement, evaluation, monitoring and mitigation of various risks. The Management has also reviewed the Risk Management framework of the Company. The Risk Registers are prepared by the departments concerned, wherein the respective risks are identified along with it's current control activities and the mitigation plans. Thereafter, the registers are reviewed.

The Risk Management Committee constituted by the Board of Directors of your Company ("Board") assists the Board in monitoring and review of Risk Management Policy of the Company including associated systems, processes, controls & strategies thereto, various risks exposures of the Company, on a periodic basis and then inform the Board about the risks assessed, their concerns and action plan with strategy for mitigation of the risks and such other functions related to risk management & mitigation as may be required by the Board, from time to time.

RELATED PARTY TRANSACTIONS

During the year under review, all Related Party Transactions, as applicable, were placed before the Audit Committee for its approval. An omnibus approval from the Audit Committee was obtained for the Related Party transactions which are repetitive in nature. The Audit Committee and the Board, reviewed all the transactions entered into pursuant to the omnibus approvals on a quarterly basis. All the Related Party Transactions, entered into during the year under review, were in the ordinary course of business and on arms' length basis in accordance with the provisions of the Act, Rules made thereunder and the SEBI Listing Regulations. Approval of the Members of the Company is also obtained in case any Related Party transaction exceeds the prescribed limits and as good corporate governance practice as there may be few transactions that may be carried out in the long-term interest of the Company. The transactions of the Company with its wholly-owned subsidiaries as per the terms mentioned in the Act and the SEBI Listing Regulations, are exempted from the approval of the Members, and hence such approvals are not obtained by the Company.

The Policy on Related Party Transactions (as reviewed and revised by the Board effective February 08, 2025) is available on the Company's website and can be accessed at www.advancedenzymes.com/investors/corporate-governance

As prescribed under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Account) Rules, 2014 (as amended), the particulars of contracts/arrangements with Related Parties are given in Form AOC-2, annexed as Annexure I to this Report.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 124(6) of the Companies Act, 2013, all shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund ("**IEPF**"). Your Company transferred 321 unclaimed Equity Shares pertaining to financial year 2017-18 to the Demat account of IEPF during November 2025. The details of the said shares are provided on the website of the Company at www.advancedenzymes.com/investors/shareholder-information

During the year under review, the Company transferred unclaimed Dividend of ₹ 192,226.50 for the financial year 2017-18. As on March 31, 2026, the total amount lying in the Unpaid Dividend accounts of the Company in respect of the last seven years was around ₹ 1.77 million. In addition, the total amount lying in the Unpaid (Interim) Dividend account of the Company for FY26 is around ₹ 0.59 million. Details of unclaimed Dividend and Shares due for transfer with due dates and procedure to claim the same are provided in the Notes to the Notice convening 37th AGM of the Company ("AGM Notice" / "Notice of 37th AGM") and briefly in the Corporate Governance Report which forms an integral part of this Report.

Details of Nodal Officer are displayed on the Company's website at: www.advancedenzymes.com/investors/shareholder-information

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Annual Report on Corporate Social Responsibility ("CSR") activities/project is provided in Annexure II and the report along with all the details thereto, forms an integral part of this Report. The Composition of CSR Committee is disclosed in the said Annual Report on CSR Activities and in the Corporate Governance report section.

The CSR policy of the Company intends to focus on certain projects which include initiatives in the field of education, skill development/vocational training, health care, sanitation, safe drinking water, environment sustainability, women empowerment and rural development which will *inter alia* enable creation of a sustainable livelihood in the society and better human capital. The CSR policy covers the potential CSR activities in line with the provisions of Section 135 of the Companies Act, 2013 (as amended) and Schedule VII thereto.

The Corporate Social Responsibility Policy may be accessed on the Company's website at www.advancedenzymes.com/investors/corporate-governance.

POLICY ON CRITERIA FOR APPOINTMENT / REMOVAL OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

As per the Nomination & Remuneration Policy of the Company ("**Policy**"), the Nomination and Remuneration Committee *inter alia* recommends the appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel. The Policy lays down the criteria for such appointments and the framework in relation to remuneration of Directors including Managerial Personnel, KMPs and employees of the Company. The Nomination & Remuneration Committee oversees the matter of remuneration to the Executive Directors, KMPs and Senior Management Personnel and recommends to the Board, revision, if any, in the remuneration of the said Directors / Personnel subject to limits as may be approved by the Members.

The Nomination and Remuneration Policy may be accessed on the website of the Company at www.advancedenzymes.com/investors/corporate-governance.

The Board affirms that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there has been no change in the composition of Board and Key Managerial Personnel of the Company.

DECLARATION BY THE INDEPENDENT DIRECTORS

All Independent Directors of the Company have given the following declarations stating that:

(i) they meet the 'criteria of Independence' as defined under Regulation 16(1) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 read with Schedule IV and the relevant Rules made thereunder;

(ii) they have complied with the provisions of the Code of Conduct & Ethics of the Company. The Independent Directors have confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

(iii) they have complied with the provisions of Rule 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (as amended) with regards to the registration on the Independent Directors' databank.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended).

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

The Independent Directors of your Company have registered on the Independent Directors' Databank pursuant to the provisions of Section 149 of the Companies Act, 2013 and the applicable rules thereunder ("Act"). The Independent Directors, as on March 31, 2026, have informed the Company, that they have either claimed exemption or passed the online proficiency test prescribed under the Act.

RETIREMENT BY ROTATION

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Rules made thereunder and the Articles of Association of the Company, Ms. Rasika Rathi (DIN: 08300682), Non -Executive Director, retires by rotation at the ensuing AGM and being eligible offers herself for re-appointment. The Board recommends the said re-appointment of Ms. Rasika Rathi at the 37th AGM and her brief profile is provided in the Notice convening the said AGM of the Company.

APPOINTMENT/RE-APPOINTMENT

Based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on May 09, 2026, has recommended the following for approval of the Members at the 37th AGM of the Company:

(i) Re-appointment of Mr. Mukund Madhusudan Kabra (DIN – 00148294), as a Whole Time Director of the Company, for another term of 5 (five) years with effect from April 01, 2027, liable to retire by rotation on such terms and conditions as mentioned in the Notice of the AGM accompanying this Report. His existing tenure as the Whole-time Director of the Company as per the earlier approval of the Members, will end on March 31, 2027.

(ii) Appointment of Mr. Pradip Bhailal Shah (DIN – 01225582) as an Independent Director of the Company for a period of 5 (five) years with effect from June 12, 2026, as per terms mentioned in the Notice of the AGM accompanying this Report. The Board at its meeting held on May 09, 2026 appointed Mr. Shah as an Additional Director (Independent) of the Company with effect from June 12, 2026.

The brief profile of the above mentioned Directors forms part of the notice of the 37th AGM of the Company.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended), M/s. MSKA & Associates, Chartered Accountants [Firm's Registration No: 105047W] ("MSKA") were appointed as Statutory Auditor for a term of five consecutive years to hold office from the conclusion of 32nd AGM up to the conclusion of the 37th AGM. During the year under review, MSKA has informed the Company that MSKA is converted into a Limited Liability Partnership (LLP) with effect from January 13, 2026 and that the name has changed to MSKA and Associates LLP (Firm Registration No. 105047W/ W101187)

Pursuant to the provisions of the Companies Act, 2013, a firm of Statutory Auditor can hold the office for a maximum tenure of two consecutive terms of five years each. The Board of your Company, on the basis of the recommendation of the Audit Committee, has recommended the reappointment of M/s. MSKA & Associates LLP, Chartered Accountants (Firm Registration No. 105047W/ W101187) ("**MSKA**"), as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of this 37th AGM till the conclusion of the 42nd AGM of the Company.

The details pertaining to the re-appointment are provided in the Notice of the 37th AGM of the Company.

The Auditors' Report to the Members on the financial statements of the Company for the year ended March 31, 2026 forms a part of the Annual Report and the Auditors' Report does not contain any qualification, reservation or adverse remark.

COST RECORDS AND AUDIT

The Company has maintained Cost records in accordance with the provisions of Section 148(1) of the Companies Act, 2013, during the year under review.

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audits) Rules, 2014, as amended ("Act"), the Company is not required to have the audit of cost records conducted by the Cost Accountant in practice, for the financial year 2025-26 ("FY26").

SECRETARIAL AUDITOR / AUDITORS REPORT

Pursuant to the provisions of Regulation 24A of SEBI Listing Regulations, the members of the Company at 36th AGM have appointed Mr. Shiv Hari Jalan, Proprietor of M/s. Shiv Hari Jalan & Co., Company Secretary in Practice (C.P. No. 4226) for a term of 5 (Five) consecutive years, to hold office from the conclusion of 36th AGM till the conclusion of 41st AGM of the Company (to be held for the financial year 2029-30), to conduct the Secretarial Audit from the financial year 2025-26 to 2029-30.

The Secretarial Audit Report for the FY26 is annexed as Annexure III and forms an integral part of this Report. The Secretarial Audit Report for the year ended March 31, 2026 does not contain any qualification, reservation or adverse remark.

CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance and the Certificate of the Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as required pursuant to the provisions of the SEBI Listing Regulations, are enclosed as Annexure IV. Declaration signed by the Whole-time Director affirming compliance with the Code of Conduct by the members of the Board and Senior Management Personnel also forms part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to the provisions of Regulation 34 of the SEBI Listing Regulations (as amended), the Business Responsibility and Sustainability Report ("BRSR Report") for FY26 is provided in a separate section of this Annual Report FY26 and may be accessed on the website of the Company at https://www.advancedenzymes.com/investors/stock-exchange-compliance/#other-compliance

COMMITTEES OF THE BOARD

As per the Companies Act, 2013 and the SEBI Listing Regulations, during the year under review, the Board has five statutory Committees viz., Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and the Risk Management Committee. The details of the composition of these Committees along with number of meetings held and attendance at the meetings are provided in the Corporate Governance Report, which forms an integral part of this Report.

BOARD'S REPORT (CONTD.)

VIGIL MECHANISM

Your Company had adopted Whistle Blower Policy / Vigil Mechanism Policy pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations. Details on the Vigil Mechanism of your Company have been outlined in Corporate Governance Report, which forms an integral part of this Report.

The Whistle Blower Policy may be accessed on your Company's website at www.advancedenzymes.com/ investors/corporate-governance

MEETINGS OF THE BOARD

During the year, 4 (four) meetings of the Board of Directors were held. The requisite details of the Board Meetings and the details of the Directors present are provided in the Corporate Governance Report, which forms part of this Report.

SECRETARIAL STANDARDS

During the year under review, the Company has complied with the provisions of applicable Secretarial Standards issued by the Institute of Company Secretaries of India with respect to the Board and General Meetings, as notified by the Ministry of Corporate Affairs of India.

EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board has undertaken an Annual Evaluation of its own performance, its various Committees and individual Directors. The manner in which the performance evaluation has been carried out has been given in the Corporate Governance Report, annexed to this Report. The Board expressed its satisfaction of the evaluation process and outcome.

The Board Evaluation policy can be accessed on your Company's website at www.advancedenzymes.com/ investors/corporate-governance.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Pursuant to provisions of Regulation 25(7) of the SEBI Listing Regulations, the details of familiarization program is available on the website of your Company at www.advancedenzymes.com/ investors/corporate-governance. Further, upon appointment of an Independent Director, the Company issues a letter of appointment outlining his / her role, function, duties and responsibilities. The format of the letter of appointment is available on the Company's website at: www.advancedenzymes.com/investors/corporate-governance

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Your Company has in place a Code of Conduct for Prohibition of Insider Trading (known as the AETL Insider Trading Code), which lays down the process for trading in securities of the Company by the Designated Persons and to regulate, monitor and report trading by the employees of the Company either on his/her own behalf or on behalf of any other person, on the basis of Unpublished Price Sensitive Information.

The aforementioned Code, as amended, is available on the website of the Company at www.advancedenzymes.com/ investors/corporate-governance.

INTERNAL CONTROL AND ITS ADEQUACY

Your Company has adopted procedures and systems for ensuring the orderly and efficient conduct of its Business, including adherence to the Company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of financial disclosures. Your Company maintains appropriate and adequate Internal Control System / Internal Financial Control commensurate to its size and nature of operations. Your Company's Internal Control systems are tested and certified by the Internal Auditors and Statutory Auditors of the Company.

The Audit Committee periodically reviews the report(s) of the independent Internal Auditors along with the adequacy and effectiveness of Internal Control systems.

SIGNIFICANT AND MATERIAL ORDERS

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and its future operations.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of Business of your Company during the year under review affecting the financial position of the Company.

MATERIAL CHANGES FROM THE DATE OF END OF FINANCIAL YEAR TILL THE DATE OF THIS REPORT

Except as otherwise mentioned in this report, there are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial year of the Company to which the financial statements relates and the date of this report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The details of Loans and Investments under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended), for the FY26 are given in the Standalone financial statements (Note No. 54 to the Standalone financial statements). Your Company has not provided any guarantee or security under Section 186 of the Act during the year under review.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company as on March 31, 2026 is available on the website of the Company at www.advancedenzymes.com

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

Information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 (as amended) is furnished in Annexure V and forms part of this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended ("Rules"), the details are disclosed in Annexure VI to this report. In terms of Section 136(1) of the Act read with second proviso to the Rule 5 of the said Rules, the Integrated Annual Report with Annexure VI is being sent to the Members excluding the statement of particulars of employees under Rule 5(2) and (3) of the Rules ("Information"), which forms part of this report. The Annexure VI / Information under Rule 5(2) and (3) is available for inspection by the Members at the registered office of the Company during business hours on all working days except Saturdays and Sundays up to the date of the AGM. Any Member interested in conducting inspection and/or obtaining a copy of the said Annexure/ Information may write to the Company Secretary at the Registered Office address of your Company.

DEPOSITS

During the year under review, your Company did not invite or accept any Deposits covered under Chapter V of the Act. There were no outstanding deposits within the meaning of Sections 73 and 74 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014 (as amended), at the end of the year under review or the previous financial year. There are no deposits which are which are not in compliance with the requirements of Chapter V of the Act.

CREDIT RATING

During the year under review, ICRA assigned [ICRA]AA-(Stable) rating for Long-term-Fund-based-Cash credit; [ICRA]AA-(Stable)/[ICRA]A1+ for Long-term/Short-term-Unallocated limits and [ICRA]A1+ for Short-term-Non-fund based limits.

GENERAL DISCLOSURES

During the year under review:

(i) The Whole-time Director of your Company has not received any remuneration or commission from any of the subsidiaries.

(ii) Your Company has not issued Shares with Differential Rights as to Dividend, Voting or otherwise.

(iii) Your Company has devised a policy on Prevention of Sexual Harassment to comply with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is hosted on the Company's website at www.advancedenzymes.com. During the year under review, there were no cases / grievances reported or pending and the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(iv) There are no details to be disclosed under Section 134(3)(ca) of the Act as there has been no such fraud reported by the Auditors under Section 143(12) of the Act.

(v) There are no applications made by or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.

(vi) The details regarding the difference in valuation between a one-time settlement and valuation for obtaining loans from banks or financial institutions, along with reasons, are not applicable.

(vii) The Company has complied with the provisions of the Maternity Benefit Act 1961 (now repealed and consolidated under the Code on Social Security, 2020).

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the support received by the Company from the Banks, Government agencies/ organizations and employees of your Company.

Your Directors also acknowledge with thanks the faith reposed by the Investors in the Company and look forward to their continued support for times to come.

For and on behalf of the Board of Directors of

Advanced Enzyme Technologies Limited

Mukund Kabra	**Vinodkumar Jajoo**
Whole-time Director	**Director**
DIN: 00148294	**DIN: 08224980**
Place: California, USA	**Place: Nashik**
Date: May 09, 2026	

ANNEXURE I

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUBSECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTIONS UNDER THIRD PROVISO THERETO.

1. **Details of contracts or arrangements or transactions not at Arm's Length basis:** NIL
   - (a) **Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/ Passport for individuals or any other registration number :** Not Applicable
   - (b) **Name(s) of the related party and nature of relationship:** Not Applicable
   - (c) **Nature of contracts/arrangements/transactions:** Not Applicable
   - (d) **Duration of the contracts/arrangements/transactions:** Not Applicable
   - (e) **Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount:** Not Applicable
   - (f) **Justification for entering into such contracts or arrangements or transactions:** Not Applicable
   - (g) **Date(s) of approval by the Board:** Not Applicable
   - (h) **Amount paid as advances, if any:** Not Applicable
   - (i) **Date on which the Resolution was passed in general meeting as required under first proviso to Section 188:** Not Applicable
   - (j) **SRN of MGT-14:** Not Applicable
2. **Details of material contracts or arrangements or transactions at arm's length basis:**

Sr. No.	Particulars	Transaction – Sales / Purchase
(a)	**Corporate identity number (CIN)**	U65993TG1991PTC013624
(b)	**Name(s) of the related party and Nature of relationship**	JC Biotech Private Limited ("JC Biotech") Subsidiary (95.72%)
(c)	**Nature of contracts/arrangements/ transactions**	Sales / Purchase of Goods
(d)	**Duration of the contracts/ arrangements/ transactions**	Transactions during the year ended March 31, 2026
(e)	**Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount.**	Total (Sales & Purchase of goods): ₹ 725 million (Sales : ₹ 4 million Purchase : ₹ 721 million) Shareholders' approval received in the Annual General Meeting held on: (i) July 25, 2024 for aggregate limit of Sales and Purchase of ₹ 800 million (annual limit) for the period from October 01, 2024 to September 30, 2025; and (ii) July 30, 2025 for aggregate limit of Sales and Purchase of ₹ 800 million (annual limit) for the period from October 01, 2025 to September 30, 2026. Further the maximum value per purchase order/invoice up to 10% of the aggregate limit for both the above mentioned approvals.

BOARD'S REPORT (CONTD.)

Sr. No.	Particulars	Transaction – Sales / Purchase
(f)	**Date(s) of approval by the Board**	May 11, 2024 and May 13, 2025
(g)	**Amount paid as advances, if any**	Advances, if any and as may be paid by the Company, during the year, were only towards the supply of goods by JC Biotech to the Company, under the limits as mentioned above

Notes:

The above disclosure of material related party transaction(s) is based on the aggregate transaction value exceeding 10% of annual consolidated turnover of the Company pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Policy on Related Party Transactions of the Company, as amended from time to time.

For and on behalf of the Board of Directors of

Advanced Enzyme Technologies Limited

Mukund Kabra
Whole-time Director
DIN: 00148294
Place: California, USA
Date: May 09, 2026

Vinodkumar Jajoo
Director
DIN: 08224980
Place: Nashik

ANNEXURE II

ANNUAL REPORT ON

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1) **A brief outline of the CSR policy of the Company:**

The CSR policy of the Company intends to focus on certain long term projects which includes initiatives in the field of Education, Skill development/Vocational training, Health Care, Sanitation, Safe Drinking Water, Environment Sustainability, Women Empowerment and Rural Development which will *inter alia* enable creation of a sustainable livelihood in society and better human capital culture.

The CSR policy of the Company covers the proposed CSR activities in line with the provisions of Section 135 of the Companies Act, 2013 (as amended) and Schedule VII thereto. The CSR Policy of the Company including the overview of projects or programme may be accessed from the website of the Company, at https://www.advancedenzymes.com/investors/corporate-governance/

2) **The Composition of the CSR Committee is as under:**

Sr. No.	Name of Director	Designation / nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Mukund Kabra	Whole-Time Director & Chairman of Committee	2	2
2.	Mr. Vasant Rathi	Non-Executive Director	2	2
3.	Ms. Rajshree Patel	Independent Director	2	2

3) **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:** https://www.advancedenzymes.com/investors/corporate-governance/

4) **Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable

5) (a) **Average net profit of the company as per sub-section (5) of section 135:** : ₹ 1,125,169,729

(b) **Two percent of average net profit of the company as per sub-section (5) of section 135:** ₹ 22,503,395

(c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL

(d) **Amount required to be set off for the financial year, if any:** NIL

(e) **Total CSR obligation for the financial year [(b) + (c) - (d)]:** ₹ 22,503,395

6) (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 1,980,000

(b) **Amount spent in Administrative Overheads:** NIL

(c) **Amount spent on Impact Assessment, if applicable:** NIL

(d) **Total amount spent for the Financial Year [(a) + (b) + (c)]:** ₹ 1,980,000

(e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 1,980,000	100,000	April 08, 2026	-	-	-
	20,423,395	April 21, 2026			

BOARD'S REPORT (CONTD.)

(f) **Excess amount for set-off, if any:**

Sr. No	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Not Applicable
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7) **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1.	2.	3.	4.	5.	6.		7.	8.
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹) *	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (₹)	Deficiency, if any
					Amount	Date of transfer		
1.	2022-23	12,319,425	-	-	-	-	-	-
2.	2023-24	4,306,977	-	-	-	-	-	-
3.	2024-25	10,767,932	10,767,932	8,616,827	-	-	2,151,105	-

*Note: Unspent balance as on April 2025

8) **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Yes No✓

If Yes, enter the number of Capital assets created/ acquired: NIL

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if Applicable	Name	Registered address
-	-	-	-	-	-	-	-

9) **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per as per subsection (5) of section 135.:** Not Applicable

For and on behalf of the Board of Directors of
Advanced Enzyme Technologies Limited

Mukund Kabra
Whole time-Director & Chairman of CSR Committee
DIN : 00148294
Place: California, USA
Date: May 09, 2026

Vinodkumar Jajoo
Director
DIN: 08224980
Place: May 09, 2026

ANNEXURE III

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Advanced Enzyme Technologies Limited
Sun Magnectica, 5th Floor,
Near LIC Service Road, Louis Wadi,
Thane- 400604.

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., Company Secretary in practice have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Advanced Enzyme Technologies Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the company during the review period)

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the company during the review period)

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025; (Not applicable to the company during the period under review)

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the company during the review period)

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the review period)

(j) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

(vi) Other laws applicable specifically to the Company namely:

(a) Factories Act, 1948;

(b) The Contract Labour (Regulation and Abolition) Act, 1970 and Rules made thereunder;

(c) Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder;

(d) Environment Protection Act, 1986

(e) Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder;

(f) Drugs & Cosmetics Act, 1940;

(g) Food Safety and Standard Act, 2006 & rules made thereunder;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review there was no changes in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance in accordance with the provisions of Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company had no specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Mumbai
Date: 09.05.2026
UDIN: F005703H000318081

For Shiv Hari Jalan & Co.
Company Secretaries
FRN: S2016MH382700

Shiv Hari Jalan
Proprietor
FCS No: 5703
C.P.NO: 4226
PR No. 1576/2021

This report is to be read with my letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

Annexure A

To,
The Members,
Advanced Enzyme Technologies Limited
Sun Magnectica, 5th Floor,
Near LIC Service Road, Louis Wadi,
Thane - 400604.

My Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provision of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai
Date: 09.05.2026
UDIN: F005703H000318081

For Shiv Hari Jalan & Co.
Company Secretaries
FRN: S2016MH382700

Shiv Hari Jalan
Proprietor
FCS No: 5703
C.P.NO: 4226
PR No. 1576/2021

BOARD'S REPORT (CONTD.)

ANNEXURE IV

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is about maximizing shareholders value legally, ethically and sustainably with a goal to ensure fairness for every stakeholder. We are dedicated to ensure to adopt and attain the best practices in Corporate Governance. The Company believes in ensuring corporate fairness, transparency, professionalism, accountability and propriety in the functioning of the Company and believes that these are pre-requisites for attaining sustainable growth in this competitive corporate world.

BOARD OF DIRECTORS

Composition of the Board of Directors as on March 31, 2026

The Board of Directors of the Company (hereinafter referred as "the Board") comprises an optimum combination of Executive and Non-Executive Directors. As on March 31, 2026, the Board comprised 9 (Nine) Directors i.e. 1 (One) Executive Director and 8 (Eight) Non-Executive Directors, out of which 5 (Five) were Independent Directors (including 2 (two) Women Independent Directors). The Chairman of the Board is a Non-Executive Director (Promoter) and more than half of the Board members are Independent. The composition of the Board is in line with requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (hereinafter referred as the "SEBI Listing Regulations"). The Independent Directors do not have any material pecuniary relationship or transactions with the Company, Promoters or Management, which may affect their judgment in any manner. Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. The Board members are eminently qualified and experienced professionals in business, finance and / or corporate management.

The relevant details of composition of the Board are as follows:

Sr. No.	Name	Director Identification Number	Category
1.	Mr. Vasant L. Rathi	01233447	Chairman & Non-Executive Director (Promoter)
2.	Mr. Mukund Kabra	00148294	Whole-time Director
3.	Ms. Rasika Rathi	08300682	Non-Executive Director (Promoter Group Member)
4.	Mr. Pramod Kasat	00819790	Independent Director
5.	Mr. Vinodkumar Jajoo	08224980	Independent Director
6.	Dr. Sunny Sharma	02267273	Non-Executive Director
7.	Ms. Rajshree Patel	08761022	Independent Director
8.	Mr. Nitin Deshmukh	00060743	Independent Director
9.	Mrs. Vandana Tilak	10048021	Independent Director

Note: During the year under review, all the recommendations of the Committees of the Board, which are mandatorily required, were approved by the Board.

None of the Directors of the Company are related to any other Director on the Board in terms of the definition of 'Relative' under the Companies Act, 2013 read with the corresponding Rules framed thereunder ("Act") except Ms. Rasika Rathi who is a daughter of Mr. Vasant Rathi.

Number of Board or Board Committees of which a Director is a member or Chairperson; the names of Other Listed entities where the Directors of the Company are Directors and the Category of their Directorship:

Sr. No.	Name of Directors	No. of Directorship held in other companies ($)	No. of Committee members-hip in other companies(*)	No. of Committees in which Director is a Chairperson (other companies)(*)	Name of the listed entities where the person is a Director (Category of Directorship)
1.	Mr. Vasant Rathi	-	-	-	-
2.	Mr. Mukund Kabra	5	1	-	-
3.	Ms. Rasika Rathi	1	-	-	-
4.	Mr. Pramod Kasat	6	6	2	Natural Capsules Limited, Fermenta Biotech Limited and Sai Silks (Kalamandir) Limited (Independent Director in all companies)
5.	Mr. Vinodkumar Jajoo	-	-	-	-
6.	Dr. Sunny Sharma	1	1	-	Marksans Pharma Limited (Non-Executive Director)
7.	Ms. Rajshree Patel	-	-	-	-
8.	Mr. Nitin Deshmukh	3	3	-	-
9.	Mrs. Vandana Tilak	-	-	-	-

$ Excludes Directorship in private companies, foreign companies and Section 8 companies.

** Audit Committee and Stakeholders' Relationship Committee in listed and unlisted public limited companies have been considered.*

Attendance of each Director at the Board Meetings and the last Annual General Meeting

During the financial year 2025-26 ("FY26"), the meetings of the Board of Directors of the Company was held 4 (four) times i.e. on May 13, 2025 (No. 02/2025), August 02, 2025 (No. 03/2025), November 12, 2025 (No. 04/2025) and January 31, 2026 (No. 01/2026). The maximum gap between any two Board meetings was less than 120 days, as stipulated under Regulation 17(2) of the SEBI Listing Regulations. Details of attendance at the Board meetings and General Meeting as the Directors of the Company, during the year under review, are as follows:

Sr. No.	Name	No. of the Board Meetings attended		Attended - last AGM held on July 30, 2025
		Held	Attended	
1.	Mr. Vasant Rathi	4	4	Yes
2.	Mr. Mukund Kabra	4	4	Yes
3.	Mr. Pramod Kasat	4	4	Yes
4.	Ms. Rasika Rathi	4	4	Yes
5.	Mr. Vinodkumar Jajoo	4	4	Yes
6.	Dr. Sunny Sharma	4	3	Yes
7.	Ms. Rajshree Patel	4	4	Yes
8.	Mr. Nitin Deshmukh	4	4	Yes
9.	Mrs. Vandana Tilak	4	2	No

SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD

The Board comprises of qualified personnel who have the key skills, competencies and expertise required for the Board members' effective contribution to the Board & its Committees and also for the Board to function effectively.

Following is the chart / matrix setting out the requisite skills/competencies/expertise of the Board:

Skills/Competencies/Expertise of the Board of Directors of the company	
Experience in the enzyme business / industry	The experience in the enzyme business / industry is seen as most critical, considering the nature of business of the company
Leadership	Extensive leadership experience of an organization for practical understanding of the organization, its processes, strategic planning, risk management for driving change and long-term growth
Finance	Finance field skills/competencies/expertise is seen as important for intricate and high quality financial management and financial reporting processes
Legal	In order to strengthen and maintain the governance levels & practices in the organization
Understanding of Global Business	Owing to presence across the globe, the understanding of global business & markets is seen as pivotal

The aforementioned skills are only indicative and not possessing any skill/competency/expertise need not be seen as a disqualifying ability. The nominations to the Board was made on the recommendations of the Nomination and Remuneration Committee, which may consider various other factors.

Following is the chart/matrix setting out the Name of the Directors of the Company possessing the requisite skills/competencies/expertise:

Name of Directors	Skills/Competencies/Expertise (to be read along with profile as provided elsewhere in the Annual report under the heading "Board of Directors")
Mr. Vasant Rathi	Immense experience in Enzyme business / industry, Business strategic planning & development, Finance, Leadership with experience of business at global level and international markets
Mr. Mukund Kabra	Experience in Enzyme business, Business Strategy, Sales, Marketing, Leadership with understanding of global business and markets
Ms. Rasika Rathi	Experience in Enzyme business, Legal including Risk Management, Leadership and understanding of global business
Mr. Pramod Kasat	Finance with rich experience in Investment Banking, Leadership and understanding of global business
Mr. Vinodkumar Jajoo	Finance with rich experience in Direct/Indirect Taxation and Audit
Dr. Sunny Sharma	Finance, rich experience in Investment Banking/Fund, Leadership and understanding of global business
Ms. Rajshree Patel	Prolific Organizational, Strategy and Executive Leadership Consultant
Mr. Nitin Deshmukh	Dynamic experience in Investment Banking/Private equity, Advisory, Leadership skills, understanding of global business.
Mrs. Vandana Tilak	Social entrepreneur and visionary with exceptional sales, fundraising and marketing skills.

CERTIFICATION FROM THE COMPANY SECRETARY IN PRACTICE

Mr. Shiv Hari Jalan, Company Secretary in Practice (FCS No.: 5703), has issued a certificate as required under the SEBI Listing Regulations that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a Director of Companies by SEBI / Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed as an Annexure to this report.

AUDIT COMMITTEE

Brief Description of term of reference

The terms of reference of Audit Committee articulates the roles, responsibilities and powers of the Audit Committee under Regulation 18(3) read with Schedule II (Part C) of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 (hereinafter referred to as "the Act"). The Role of the Audit Committee is as prescribed under Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations.

The role of the Audit Committee *inter alia* includes the following:

- Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Review with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinion(s) in the draft audit report.
- Review with the management, the quarterly financial statements before submission to the Board for approval;
- Review with the management, the statement of uses / application of funds, if any, raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of Internal Financial Controls and Risk Management Systems;
- Review with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the Audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Review the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review the functioning of the whistle blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carry out any other function as is mentioned in the terms of reference of the Audit Committee under the Act and the SEBI Listing Regulations.
- Review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Composition, Name of Members and Chairman, Meetings of the Committee and Attendance during the year

In accordance with the provisions of Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Act, the Audit Committee of the Board comprises 3 (Three) Independent Directors and 1 (One) Non-Executive Director as on March 31, 2026. All the members of the Audit Committee are financially literate. The Committee invites the representatives of the Statutory and Internal Auditors. Further, the Chief Financial Officer also attends the Audit Committee meetings. The Company Secretary acts as a Secretary to the Audit Committee.

During the FY26, the Audit Committee met 4 (Four) times i.e. on May 13, 2025 (No. 02/2025), August 02, 2025 (No. 03/2025), November 12, 2025 (No. 04/2025) and January 31, 2026 (No. 01/2026).

The composition of the Audit Committee along with the details of the meetings held and attended during the aforesaid period, is detailed below:

Name of Members	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Vinodkumar Jajoo	Chairman	4	4
Mr. Pramod Kasat	Member	4	4
Mrs. Vandana Tilak	Member	4	2
Mr. Vasant Rathi	Member	4	4

NOMINATION AND REMUNERATION COMMITTEE

Brief Description of terms of reference

The terms of reference of the Nomination and Remuneration Committee are in line with Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act:

a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.

c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

The role of the Nomination and Remuneration Committee *inter alia* includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- Devising a policy on diversity of the Board;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board, the remuneration, in whatever form, payable to the senior management.

Composition, Name of Members and Chairman, Meetings of the Committee and Attendance during the year

During the FY26, Nomination and Remuneration Committee met twice i.e. on May 13, 2025 (No. 01/2025) and August 02, 2025 (No. 02/2025).

The composition of the Nomination and Remuneration Committee as on March 31, 2026 along with the details of the meetings held and attended during the aforesaid period, is detailed below:

Name of Members	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Pramod Kasat	Chairman	2	2
Mr. Vasant Rathi	Member	2	2
Ms. Rajshree Patel	Member	2	2
Mr. Nitin Deshmukh	Member	2	2

Familiarization Programme for Independent Directors

The Familiarization programme for the Directors during the year covered topics such as Operations, Financials, Plant visits, Performance, Annual Budget and update on amendment of statutory & regulatory laws.

The details of the Familiarization programme are available on the website of the Company at: https://www.advancedenzymes.com/investors/corporate-governance/

Performance Evaluation of Board and Individual Directors

The Board has adopted a formal policy for evaluating the performance of its Board, Committees and Directors, including the Chairman of the Board ("Board Evaluation Policy"). The said evaluation typically examines the role of the Board and the entailing responsibilities and assesses their effectiveness by the Board. The effectiveness of the Board depends on various factors, some of which are derived from the functions of the Board. A structured performance evaluation exercise was carried out based on criteria such as Board / Committee compositions, dynamics and functioning of the Board, Business Strategy, Governance & Monitoring role, Financial reporting, Internal Audit, Internal Controls and Advisory role etc.

Pursuant to provisions of the Act, SEBI Listing Regulations and Board Evaluation Policy, the Directors of the Company carried out annual performance evaluation of the Board as a whole, Committees of the Board and the Independent Directors (excluding the Director being evaluated), as per evaluation forms circulated to them. The evaluation of Independent Directors was conducted on the basis of the parameters which included the participation & contribution at the Board & Committee meetings, understanding of the governance, regulatory, financial, fiduciary and ethical requirements of the Board & Committees, standards of ethics & integrity, ability to exercise objective independent judgment in the best interests of the Company and its stakeholders.

During the FY26, the Independent Directors met on March 27, 2026 to review the performance of Chairperson, Non-Independent Directors and the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Company management and the Board. The results of the performance evaluation were placed for review at the meeting of the Independent Directors and at the meeting of Nomination and Remuneration Committee and the Board. In addition, the Independent Directors also met on February 12, 2026, during the year under review.

REMUNERATION OF DIRECTORS

There were no pecuniary relationships or transactions between the Non-Executive Directors (including Independent Directors) and the Company, except the following:

1. Sitting fees to the Independent Directors for attending the meetings of the Board, Committee(s) thereof and Independent Directors' Meeting.
2. Commission to the Non-Executive Directors of the Company.

Criteria for making payment to Non-Executive Directors

The Company has formulated a Nomination and Remuneration Policy, which indicates criteria for making payment to Non-Executive Directors. As per the said Policy, the remuneration / commission to Non-Executive Directors shall be in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force. The Non-Executive / Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committees thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act per meeting of the Board or Committees. Limits of Remuneration / Commission to be paid shall be within the monetary limits as approved by Members, and not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.

The said Policy is available on the website of the Company. The web-link for the same is http://www.advancedenzymes.com/investors/corporate-governance.

Details of Remuneration to Directors:

Remuneration to Executive Director

The details of the Remuneration of Mr. Mukund Kabra, Whole-time Director of the Company, for the year ended March 31, 2026 is as follows:

Particulars		(in ₹)
Basic Salary	A	**8,027,248**
Other Allowances		17,718,144
Bonus		668,937
	B	**18,387,081**
Sub-total	(A+B)	**26,414,329**
Contribution to :		
Provident fund		1,043,542
Superannuation Fund		802,725
Gratuity		385,925
	C	**2,232,193**
Total	(A+B+C)	**28,646,522**
Commission for FY26	D	**6,572,069**
Grand Total	(A+B+C+D)	**35,218,591**
*Stock Options (Perquisites)		**387,550**

Note: The aforesaid amount is on payable basis and is excluding leave encashment.

*During the year under review, Mr. Mukund Kabra exercised 2,500 Stock Options out of 25,000 Options granted to him earlier, at an average exercise price of ₹ 176/- per Option, in accordance with the provisions of Advanced Enzyme Technologies Limited – Employees Stock Option Scheme 2022 of the Company. Based on this, 2,500 Equity Shares were allotted to him. The balance Stock Options shall vest and become exercisable in accordance with the applicable vesting schedule under the Advanced Enzyme Technologies Limited – Employees Stock Options Scheme, 2022.

BOARD'S REPORT (CONTD.)

Remuneration and Shareholding (as on March 31, 2026) of the Non-Executive Directors

The Independent Directors receive remuneration by way of sitting fees for attending meetings of the Board/Committees and for meeting of the Independent Directors. The details of Sitting Fees / Commission paid/payable to Independent Directors and Non-Executive Directors for the FY26 along with the Shareholding of the Non-Executive Directors as on March 31, 2026 are as under:

Names of Directors	Category of Non-Executive Directorship	Sitting Fees (Note 1) (₹ In million)	Commission (Note 2) (₹ In million)	No. of Shares (Face Value ₹ 2/- each)	% of Shareholding
Mr. Vasant Rathi	Non Executive Non-Independent	-	1.57	29,871,702*	26.69
Ms. Rasika Rathi	Non-Executive Non-Independent	-	0.78	2,665,825	2.38
Dr. Sunny Sharma	Non-Executive Non-Independent	-	0.39	NIL	NIL
Mr. Pramod Kasat	Independent Director	0.34	1.31	5000^	0.004
Mr. Vinodkumar Jajoo	Independent Director	0.37	1.44	NIL	NIL
Ms. Rajshree Patel	Independent Director	0.27	1.04	NIL	NIL
Mr. Nitin Deshmukh	Independent Director	0.27	0.91	NIL	NIL
Mrs. Vandana Tilak **	Independent Director	-	-	NIL	NIL

* During FY26, Mr. Vasant Rathi transferred 7,500,000 (6.70%) Equity Shares of the Company in his capacity as a Trustee of Vasant and Prabha Rathi Generation Trust to the trust demat account.

^ Holding 5,000 Equity Shares on behalf of Pramod Kasat HUF.

** Mrs. Vandana Tilak (DIN: 10048021) has voluntarily waived the receipt of the sitting fees, and the Commission (FY26) amounting to ₹ 0.12 million and ₹ 0.52 million respectively.

Note 1: During the year under review, ₹ 35,000/- was paid/payable for each Board Meeting thereafter and ₹ 25,000/- was paid/payable for each Committee Meeting and Independent Directors' Meeting.

Note 2: Commission payable to Non-Executive Directors is pursuant to the approval of the Members at the 34th Annual General Meeting held on August 12, 2023. The amount of commission is determined and approved by the Board in proportion to the number of meetings of the Board and its Committees thereto attended by the respective Non-Executive Director(s) during the financial year 2025-26. The total amount of commission to Non-Executive Directors is within the limit of 1% of the Net profits of the Company for the year under review, calculated as per the provisions of the Act.

Details of service contracts, notice period and severance fees of the Executive Director

Name of Director	Mr. Mukund Kabra, Whole-time Director
Date of contract	October 06, 2021
Term of contract	Five years w.e.f April 01, 2022
Notice Period	Three Months
Severance Fees	-

Particulars of Senior Management including the changes therein since the close of the previous Financial Year

Details of Senior Management Personnel(s) including Key Managerial Personnel (KMP) as on March 31, 2026, are as follows:

Sr. No.	Name	Designation
1.	Mr. Beni P Rauka	Chief Financial Officer (KMP)
2.	Mr. Sanjay Basantani	Company Secretary & Head – Legal (KMP)
3.	Mr. Dipak Roda*	Sr. VP – Marketing & Business Development
4.	Mr. Satish Pagar	Plant Manager, Sinnar / Head Operations
5.	Mr. Pradeep Bhosale	Plant Manager, Indore

* tendered his resignation on March 10, 2026 effective from the close of business hours on April 09, 2026.

Kindly note that there have been no changes in the Senior Management Personnel(s) since the close of the previous financial year except as mentioned above.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations read with Part D of Schedule II thereto, the Company has in place, a Stakeholders' Relationship Committee ("SRC"). The SRC comprises 2(Two) Independent Directors and the Whole-time Director as on March 31, 2026. The Chairman of the Committee is an Independent Director. The Company Secretary acts as a Secretary to the Committee.

During the FY26, Stakeholders' Relationship Committee met once i.e. on November 12, 2025 (No. 01/2025).

Following is the constitution of the Stakeholders' Relationship Committee along with the meeting and attendance during the year:

Name of Members	Type of Membership	No. of Committee Meeting	
		Held	Attended
Mr. Vinodkumar Jajoo	Chairman	1	1
Mr. Mukund Kabra	Member	1	1
Mr. Nitin Deshmukh	Member	1	1

The role of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Act and as per Regulation 20 and Part D of Schedule II of the SEBI Listing Regulations and *inter alia* includes:-

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.
- Other matters as may be required for aforesaid purposes.

Name and Designation of Compliance Officer

Mr. Sanjay Basantani - 'Company Secretary & Head - Legal'

Status Report of Investor Complaints for the year ended March 31, 2026

No. of Complaints as on April 01, 2025	- NIL
No. of Complaints Received during the year	- 1
No. of Complaints Resolved during the year	- 1
No. of Complaints not resolved to the satisfaction of the shareholders	- NA
No. of Complaints Pending as on March 31, 2026	- NIL

All valid requests for dematerialization wherein the complete documentation was received during the year have been acted upon and no such valid dematerialization request is pending for more than prescribed period.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITEE)

In line with the provisions of Section 135 of the Act read with the corresponding Rules framed thereunder, as on March 31, 2026, the CSR Committee comprises 1 (One) Independent Director, a Non-Executive Director and the Whole-time Director. The Company Secretary as a Secretary to the Committee.

During the FY26, the CSR Committee met twice i.e. on May 13, 2025 (No. 01/2025) and January 31, 2026 (No. 01/2026).

Constitution of the CSR Committee along with the number of meetings held during the year and attendance is as follows:

Name of Members	Type of Membership	No. of Committee Meetings	
		Held	Attended
Mr. Mukund Kabra	Chairman	2	2
Mr. Vasant Rathi	Member	2	2
Ms. Rajshree Patel	Member	2	2

The terms of reference of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Act and *inter alia* includes:

a) To formulate and recommend to the Board, a CSR Policy (including any modification thereto) which shall indicate the framework within which the proposed CSR activities would be undertaken;

b) To formulate and recommend to the Board, the Annual Action Plan, which shall include the following:

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programmes as specified in Rule 4(1) of the Rules
- the modalities of utilization of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and
- details of need and impact assessment, if any, for the projects undertaken by the Company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect

c) To monitor the implementation of the CSR Policy from time to time and take such other action as it may deem fit in pursuance of the CSR Vision of the Company; and

d) Any other role, as may be specified in the Act/Rules from time to time and as may be required by the Board.

RISK MANAGEMENT COMMITTEE

Pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations, constitution of Risk Management Committee is mandatory for top 1000 listed entities. Pursuant to the composition of the Risk Management Committee prescribed under the provisions of Regulation 21 of the SEBI Listing Regulations, the Risk Management Committee, as on March 31, 2026, comprises an Independent Director, Whole-time Director, a Non-Executive Director, Chief Financial Officer and Company Secretary.

During the FY26, the Risk Management Committee met twice i.e. on May 30, 2025 (No. RMC 01/2025) and on December 17, 2025 (No. RMC 02/2025). The gap between any two meetings was not more than two hundred and ten days, as stipulated under Regulation 21(3C) of the SEBI Listing Regulations.

Following is the constitution of the Risk Management Committee along with number of meetings held and attendance during the year:

Name of Members	Type of Membership	No. of Committee Meetings	
		Held	Attended
Mr. Vinodkumar Jajoo	Chairman	2	2
Mr. Mukund Kabra	Member	2	2
Ms. Rasika Rathi	Member	2	2
Mr. Beni Prasad Rauka	Member	2	2
Mr. Sanjay Basantani	Member	2	2

The terms of reference of the Risk Management Committee *inter alia* includes:

a) To monitor & review Risk Management Policy of the Company including associated systems, processes, controls & strategies thereto;

b) To monitor & review various risks exposures of the Company, on a periodic basis and then inform the Board about the risks assessed, their concerns and action plan with strategy for mitigation of the risks;

c) To assist Audit Committee in assessment of internal financial controls, monitoring of the risk management plan, overview of processes for identification & assessment of the risks, reviewing the outcomes of risk management processes and for advising the Committee, as may be necessary, from time to time;

d) To perform such other functions related to risk management & mitigation as may be required by the Board of Directors and/or SEBI Listing Regulations, from time to time;

e) To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.

f) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

g) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

h) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

i) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

j) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

GENERAL BODY MEETINGS

Details of location, time and date of last three Annual General Meetings, are provided below:

Financial Year	Date	Location	Time
2024-25 (FY25)	July 30, 2025 (36th AGM)	Through Video Conference ("VC") or Other Audio Visual Means ("OAVM") (deemed venue: Registered office of the Company at Thane (W) – 400604, Maharashtra, India)	10:00 a.m.
2023-24 (FY24)	July 25, 2024 (35th AGM)	Through Video Conference ("VC") or Other Audio Visual Means ("OAVM") (deemed venue: Registered office of the Company at Thane (W) – 400604, Maharashtra, India)	10:00 a.m.
2022-23 (FY23)	August 12, 2023 (34th AGM)	Through Video Conference ("VC") or Other Audio Visual Means ("OAVM") (deemed venue: Registered office of the Company at Thane (W) – 400604, Maharashtra, India)	3:00 p.m.

Special Resolutions passed in the previous three Annual General Meetings (AGMs)

During the Annual General Meetings held in the last 3 years i.e. for FY23 to FY25 approvals of the Members were obtained by passing special resolutions in AGMs, as follows:

Sr. No.	Date of Meeting	Special Resolutions
1.	August 12, 2023	Appointment of Ms. Vandana R. Tilak (DIN: 10048021) as an Independent Director of the Company for the period of five years effective from July 01, 2023
2.		Re-Appointment of Mr. Vinodkumar Hiralal Jajoo (DIN: 08224980) as an Independent Director of the Company for the period of five years effective from February 09, 2024
3.		Re-Appointment of Ms. Rajshree Patel (DIN: 08761022) as an Independent Director of the Company for the period of three years effective from June 12, 2023
4.	July 25, 2024	Nil
5.	July 30, 2025	Nil

Special Resolutions passed through postal ballot & details of voting pattern

During the year under review, no Special resolution was passed through postal ballot and accordingly the details of person who conducted the postal ballot is not applicable.

MEANS OF COMMUNICATION

The Board believes that effective communication of information is an essential component of Corporate Governance. The Company regularly interacts with Members through multiple channels of communication such as results announcement and Newspaper publications, Annual Report, media releases, website of the Company and specific communications to the Stock Exchanges, where the Equity Shares of the Company are listed.

Quarterly Results

The unaudited quarterly and annual audited financial results of the Company were published in English and regional newspaper. The financial results were not sent individually to the Members.

Newspapers wherein results are normally published

The results are normally published in an English Newspaper viz. The Financial Express and a Regional Newspaper viz. Mumbai Lakshadeep.

Website

The Company has in place a website addressed as www.advancedenzymes.com. The Website contains the basic information about the Company viz. details of its Business, financial information, Annual Reports, Company's policies & Code of Conduct & Ethics as required under the Act and the SEBI Listing Regulations, Shareholding Pattern, Compliance with Corporate Governance report, contact information of the Designated official of the Company, who is responsible for assisting and handling Investor Grievances and such other details as may be required under sub Regulation (2) of Regulation 46 of the SEBI Listing Regulations. The Company ensures that the contents of this website are periodically updated. In addition, the Company publishes official news release and presentations, if any, made to institutional investors / analysts on its website.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Date, Time and Venue	37th Annual General Meeting (AGM) July 31 , 2026, Friday, at 10:00 a.m. IST Through Video Conference or Other Audio Visual Means with Registered Office of the Company deemed to be the venue for the proceedings of the AGM
Financial Year	April 01 to March 31
Schedule (Tentative) for declaration of financial results during the FY27	First quarter - Up to August 14, 2026 Second quarter - Up to November 14, 2026 Third quarter - Up to February 14, 2027 Annual & Fourth quarter - Up to May 30, 2027 Annual General Meeting - Up to September 30, 2027
Dividend Payment Date	On or after August 03, 2026 (subject to declaration of dividend by the Members at the 37th AGM)
Listing on Stock Exchanges	Company's Equity Shares are listed at: **BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001 **National Stock Exchange of India Limited (NSE)** Exchange Plaza, Bandra-Kurla Complex, Mumbai 400051 The Company hereby confirms that it has made the payment of Annual Listing Fees to BSE Limited and National Stock Exchange of India Limited.
Registrar & Share Transfer Agent	MUFG Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. Tel: +91 810 811 8484 Fax: (022) 49186060 Email:Investor.helpdesk@in.mpms.mufg.com Website: https://in.mpms.mufg.com

Share Transfer System

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended from time to time, the Securities of the listed entity can be transferred only in dematerialized form. The operational guidelines for transfer and dematerialization of re-lodged physical shares were laid down by SEBI vide circular SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 02, 2020 (as amended).

Further, SEBI vide its Circular No. HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026, has done away with requirement of issuance of Letter of Confirmation ("LOC") and to effect direct credit of securities in dematerialisation account of the investors effective from April 02, 2026.

Further in order to enable RTAs and other market stakeholders to have access to all applicable Circulars in the subject matter at one place, SEBI vide its Master Circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 has mandated that the listed entities shall henceforth issue Securities in dematerialized (demat) form while processing the following requests and has also simplified the procedure and standardized the format of documents for transmission of securities & issuance of duplicate securities certificates respectively.:

(i) Issue of duplicate securities certificate

(ii) Claim from Unclaimed Suspense Account

(iii) Renewal/Exchange of securities certificate

(iv) Endorsement

(v) Sub-division / Splitting of securities certificate

(vi) Consolidation of securities certificates/folios

(vii) Transmission

(viii) Transposition

SEBI had introduced a special, time-bound window from July 7, 2025 to January 6, 2026, for the re-lodgment of physical share transfer requests that were previously rejected or returned before April 1, 2019. This initiative allowed shareholders to transfer and dematerialize shares that faced procedural or documentation issues, aiming to resolve long-standing legacy, non-disputed ownership cases. In order to further facilitate the investors to get rightful access to their securities, SEBI has opened another special window for transfer and dematerialization of physical securities which were sold / purchased before April 1, 2019. This special window is open for a period of 1 (one) year from February 5, 2026 to February 4, 2027 and is available for such transfer requests which were previously submitted and were rejected or returned before April 1, 2019 due to deficiency of documents, process or otherwise. The investors who are eligible for this are requested to take advantage of this special window and have the shares transferred in their name(s).

Updating of PAN, KYC and Other details:

SEBI vide Master Circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 and the FAQs released by the SEBI has provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and other details. As per the said SEBI Circular, the Members holding shares in physical form and who have not updated their KYC details (viz. PAN; Contact Details; Bank Account Details and signature) against their folio with MUFG Intime India Private Limited, Registrar and Transfer Agent of the Company ("RTA"), their dividend shall be withheld by the Company and the same shall be immediately released electronically, upon updation of KYC. In this regard, the Company has, through various channels such as dividend inland letters, email communications, IEPF letters, newspaper publications etc., informed its physical shareholders about updating their KYC details as mentioned above

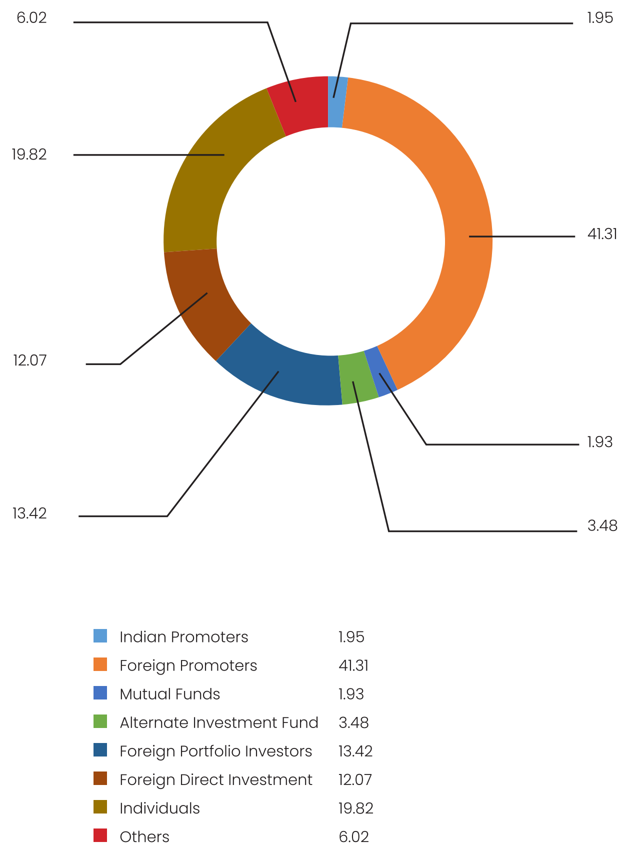
Further, pursuant to the amendment to the Listing Regulations, SEBI has omitted the provisions relating to issuance of 'payable-at-par' warrants / cheques with effect from November 19, 2025. Accordingly, all the dividend payments shall be made only through electronic mode of payment approved by the Reserve Bank of India and no payment of dividends will be made through physical modes. The Members who have not registered or updated their bank account details will not be able to receive dividend until such details are duly registered / updated.

The Certificate was received from a Practicing Company Secretary and submitted to the Stock Exchanges, on a quarterly basis, with respect to timely dematerialization of shares of the Company and reconciliation of the share capital of the Company, as required under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

The Company has designated the e-mail ID: investor.grievances@advancedenzymes.com, for addressing the investors' grievances.

Shareholding Pattern of the Company as on March 31, 2026:

Category of Shareholder	No. of Shares held	% of holding
Promoter and Promoter Group:		
-Indian	2,181,650	1.95
-Foreign	46,238,885	41.31
Sub-Total (A)	**48,420,535**	**43.26**
Public:		
Institutions:		
-Mutual Funds	2,162,016	1.93
-Alternate Investment Fund	3,892,110	3.48
-Foreign Portfolio Investors	15,022,572	13.42
-Foreign Direct Investment	13,509,522	12.07
-Financial Institutions/Banks	-	0.00
Non Institutions:		
-Individuals	22,182,044	19.82
-HUF/ NRI/ Trust/ Bodies Corporate/ IEPF/ Clearing Members/ Others	6,735,501	6.02
NBFCs registered with RBI	2,500	0.00
Sub-Total (B)	**63,506,265**	**56.74**
Grand Total (A+B)	**111,926,800**	**100.00**



Distribution of Shareholding as on March 31, 2026:

Shareholding (Range)	No. of Shareholders	%	Shares	%
up to 500	60,759	89.87	4,870,132	4.35
501 to 1000	3,382	5.00	2,560,183	2.29
1001 to 2000	1,672	2.47	2,460,386	2.20
2001 to 3000	604	0.89	1,510,597	1.35
3001 to 4000	309	0.46	1,113,482	0.99
4001 to 5000	203	0.30	943,854	0.84
5001 to 10000	325	0.48	2,404,244	2.15
10001 and above	353	0.52	96,063,922	85.83
Total	**67,607**	**100.00**	**111,926,800**	**100.00**

Note: The above distribution summary of Shareholding Pattern is folio based and not PAN based.

Dematerialization of shares and liquidity

As on March 31, 2026, 99.83 % of shareholding was held in Dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

Note: Trading in the Equity Shares of the Company is permitted only in Dematerialized form in accordance with the circular issued by SEBI.

Particulars of Unclaimed Dividend of the Company

Financial Year	Type of Dividend	Date of Declaration	Due date to transfer to IEPF
2018-2019	Final Dividend	August 08, 2019	September 13, 2026
2019-2020	Final Dividend	July 15, 2020	August 20, 2027
2020-2021	Final Dividend	September 08, 2021	October 09, 2028
2021-2022	Final Dividend	August 19, 2022	September 22, 2029
2022-2023	Final Dividend	August 12, 2023	September 13, 2030
2023-2024	Interim Dividend	May 13, 2023	June 15, 2030
2023-2024	Final Dividend	July 25, 2024	August 26, 2031
2024-2025	Interim Dividend	May 11, 2024	June 13, 2031
2024-2025	Final Dividend	July 30, 2025	September 01, 2032
2025-2026	Interim Dividend	May 13, 2025	June 16, 2032

The Company will transfer the Unclaimed dividend to Investor Education and Protection Fund (IEPF) within thirty (30) days from the aforesaid due dates.

Pursuant to Section 124(6) of the Companies Act, 2013, all Shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund (**"IEPF"**). The details are provided on the website of the Company at www.advancedenzymes.com/investors/shareholder-information

100 Days campaign – 'Saksham Niveshak' by IEPF Authority

The IEPF Authority conducted a 100-day awareness campaign titled "Saksham Niveshak" during July 2025. The initiative aimed to facilitate the direct transfer of unclaimed/unpaid dividends and shares, updating the KYC and nomination details of the shareholders and promoting investor empowerment by way of direct claim for such dividends/shares without the involvement of intermediaries. As part of this campaign, the Company published the newspaper advertisement and the procedure in this regard was provided on the Company's website.

Equity Shares lying with the Company in Suspense Account

Pursuant to the provisions of Regulation 39(4) read with Schedule V (F) of the SEBI Listing Regulations, details of Equity Shares in Advanced Enzyme Technologies Limited – Unclaimed Securities Suspense Account as on March 31, 2026 are as follows:

	Particulars	No. of Shareholders	No. of Equity Shares
Opening Balance	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 01, 2025	5	23,500
	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	2	5000
(Less)	Number of shareholders to whom shares were transferred from suspense account during the year	(1)	(3000)
(Less)	Number of shareholders whose shares got transferred from suspense account to the IEPF Authority during the year	-	-
Closing Balance	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2026	4	20,500

All the corporate benefits, if any, against the above shares like bonus shares, split, etc., are also required to be transferred to Unclaimed Suspense Account of the Company. While the dividend for the shares which are lying in Unclaimed Suspense Account would be credited back to the relevant dividend accounts of the Company, the voting rights on shares lying in Unclaimed Suspense Account shall remain frozen till the rightful owner claims the shares.

Pursuant to Section 124(6) of the Companies Act, 2013, all Shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund (**"IEPF"**). The details are provided on the website of the Company at www.advancedenzymes.com/investors/shareholder-information

Further, the Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the Company's Equity.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not trade in commodities. The relevant details of foreign exchange exposure & risk / hedging activities are provided in Note No. 41 of Standalone financial statements

Custodian Fees

The Company has paid custodian fees for folios maintained by National Securities Depository Limited and Central Depository Services (India) Limited for the FY26, as per the Invoices received.

Plant Locations of the Company

1. A-61/62, M.I.D.C. Area, Sinnar, Nashik - 422 103, Maharashtra
2. SORL, H-17, M.I.D.C, Satpur Area, Nashik – 422 007, Maharashtra
3. Survey No.30, Pali, Vasind, Shahpur, Thane – 421 601, Maharashtra
4. Plot No. B-5-13, SEZ, Pithampur, Dhar - 452774, Madhya Pradesh

Address for Correspondence

Advanced Enzyme Technologies Limited
5th Floor, 'A' wing, Sun Magnetica, LIC Service Road,
Louiswadi, Thane (W), Maharashtra - 400604, India
Phone: +91-22-4170 3200, Fax: +91-22-2583 5159
Email: investor.grievances@advancedenzymes.com
Website: www.advancedenzymes.com

Company Secretary and Compliance Officer / Nodal Officer

Mr. Sanjay Basantani, Company Secretary & Head - Legal

5th Floor, 'A' wing, Sun Magnetica, LIC Service Road,
Louiswadi, Thane (W) , Maharashtra - 400604, India
Phone: +91-22-4170 3200, Fax: +91-22-2583 5159
Email: sanjay@advancedenzymes.com
Website: www.advancedenzymes.com

Registrar & Transfer Agent

MUFG Intime India Private Limited

C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083.
Tel: +91 810 811 6767 Fax: +91 22 49186060
Email: Investor.helpdesk@in.mpms.mufg.com
Website: https://in.mpms.mufg.com

CREDIT RATING

Your Company has received rating of [ICRA]AA-(Stable) for Long-term Fund based Cash Credit and [ICRA]AA-(Stable)/[ICRA]A1+ for Long-term /Short term Unallocated limits and a short term rating of [ICRA]A1+ by ICRA Limited (ICRA).

OTHER DISCLOSURES

Materially Significant Related Party Transactions

During the year under review, the Related Party Transactions were done on an arm's length basis and in ordinary course of business. The Company presents a statement of the Related Party Transactions before the Audit Committee on a quarterly basis specifying *inter alia* the nature and value of the transactions. The transactions with Related Parties were conducted in a transparent manner in the interest of the Company, were approved by the Audit Committee and had no potential conflict with the interest of the Company at large. There were no significant Related Party transactions, monetary transactions or relationships between the Company and Directors, the Management, Subsidiaries or Relatives except as disclosed in the Note No. 42 of the Standalone financial statements for the year ended March 31, 2026 and AOC - 2 annexed as Annexure - I to this Board's report.

Whistle Blower Policy

The Board had adopted Vigil Mechanism/Whistle Blower Policy pursuant to the provisions of Section 177(9) of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and Regulation 22 of the SEBI Listing Regulations, in order to establish a Vigil Mechanism for the Directors and Employees to report the genuine concerns in such manner as may be prescribed.

BOARD'S REPORT (CONTD.)

Your Company believes in the conduct of the affairs of its various constituents in a fair and transparent manner, by adopting the highest standards of professionalism, honesty, integrity and ethical behavior and open communication. Accordingly, the Whistle Blower Policy has been formulated with a view to provide a mechanism for associates of the Company to approach the Chairperson of the Audit Committee of the Company to, *inter alia*, report to the management, instances of unethical behaviour, actual or suspected fraud or violation of the Company's policy. No personnel was denied access to the Audit Committee of the Company.

Details of Utilization of Funds Raised through Preferential allotment or Qualified Institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations

The Company has not raised any funds through preferential allotment or qualified institutions placement during the year under review.

Disclosure of Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount

The Company and its Subsidiaries have not given any loans and advances in the nature of loans to firms/companies in which Directors are interested.

Details of total fees paid to the Statutory Auditors

The details of total fees for all services paid by the Company and its Subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part, are as follows:

(₹ in million)

Particulars	Year ended March 31, 2026
Company to Statutory Auditors:	
Statutory Audit	2.50
Limited review	1.60
Certification work	-
Transfer pricing	-
Reimbursement of expenses	0.59
Advisory Services	-
Total	**4.69**
Company to network entity of Statutory Auditors	
Issuing Form 3CEB	-
Transfer Pricing Report for FY 2024-25	-
Reimbursement of expenses	-
Total	-
Subsidiaries	**NIL**

Compliance with mandatory / Non-mandatory requirements

The Company has complied with the mandatory Corporate Governance requirements under the SEBI Listing Regulations.

The provisions of Schedule V Part C read with Schedule II Part E, further states that the non-mandatory requirements adopted by the Company be highlighted in the Corporate Governance Report. Accordingly, the Company has complied with the following non-mandatory requirements:

- During the year, the Office of Chairman and the Whole-Time Director or CEO was held by distinct individuals.
- The Internal Auditors have direct access to the Audit Committee and present their Internal Audit observations to the Audit Committee.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Sr. No.	Particulars	No.
1.	Number of Complaints filed during the financial year	NIL
2.	Number of Complaints disposed of during the financial year	NA
3.	Number of Complaints pending as on the end of the financial year	NA

Disclosures

The Company has a Risk Management Policy. Minutes of Risk Management Committee meetings held during the year under review, were placed before the Board.

During the last three years, there were no instances of non-compliance reported by the Company and no penalties or strictures were imposed on the Company by the Stock Exchange(s) or the SEBI or any statutory authority, on any matter related to the capital markets.

Pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, the Whole-time Director and the Chief Financial Officer have submitted a certificate to the Board of Directors for the financial year ended March 31, 2026. The Certificate has been reviewed by the Audit Committee and taken on record by the Board.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, as applicable, with regard to corporate governance. The Certificate of the Practicing Company Secretary regarding compliance of the conditions of Corporate Governance for the year ended March 31, 2026 by the Company, as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations is annexed to this report and forms an integral part of this Report.

Web link for Policy for determining Material Subsidiaries and Related Party Transactions

In accordance with the requirements of the SEBI Listing Regulations, the Company has formulated a Policy for determining Material Subsidiary and Policy on Related Party Transactions. These policies, as amended, are hosted on the website of the Company at: www.advancedenzymes.com/investors/corporate-governance

Details of Material Subsidiaries; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Cal-India Foods International (SEB) incorporated on March 25, 1985, State of California (US) was the material subsidiary of the Company during the year under review. The law of the country of its incorporation does not mandatorily requires to get its Standalone financial statements audited and hence the details of its Statutory Auditors are not applicable.

Shareholders' Right

The Quarterly / Half-Yearly / Annual Results of the Company were published in English and Vernacular newspapers and have been displayed on the Company's website, www.advancedenzymes.com and at the website of the Stock Exchanges, where the shares of the Company are listed / traded, as soon as the results were approved by the Board. These were not sent individually to the Members.

Disclosure of certain types of Binding Agreements

Pursuant to Regulation 30(A)(5) of SEBI Listing Regulations, no such agreements were disclosed to Stock Exchanges and accordingly the same is not applicable.

Auditors' Report

The Auditors' Report to the Members on the financial statements of the Company for the year ended March 31, 2026 does not contain any qualification, reservation or adverse remark.

DECLARATION ON ADHERENCE WITH COMPANY'S CODE OF CONDUCT & ETHICS

[Pursuant to Regulation 34(3) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of

Advanced Enzyme Technologies Limited

This is to confirm that the Company has adopted Code of Conduct and Ethics for all the Members of Board of Directors, Senior Management/Officers of the Company as stipulated under Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the members of Board of Directors, Senior Management / Officers of the Company have affirmed compliance with this Code of Conduct & Ethics for the financial year ended on March 31, 2026.

For Advanced Enzyme Technologies Limited

Mukund Kabra
Whole-time Director
DIN: 00148294

Place: California, USA
Date : May 09, 2026

BOARD'S REPORT (CONTD.)

CERTIFICATION ON CORPORATE GOVERNANCE

To,
The Members of
Advanced Enzyme Technologies Limited

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., Company Secretary in practice have examined the compliance of conditions of Corporate Governance by **Advanced Enzyme Technologies Limited** ('the Company') for the year ended March 31, 2026 as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof adopted by the Company for 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.

I have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2026.

I 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.

Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

Place: Mumbai
Date: 09.05.2026
UDIN: F005703H000318191

For Shiv Hari Jalan & Co.
Company Secretaries
FRN: S2016MH382700

Shiv Hari Jalan
Proprietor
FCS No: 5703
C.P.NO: 4226
PR No. 1576/2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Advanced Enzyme Technologies Limited
Sun Magnetica, 5th Floor,
Near LIC Service Road,
Louis Wadi, Thane- 400604.

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., Company Secretary in practice have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Advanced Enzyme Technologies Limited having CIN L24200MH1989PLC051018 and having registered office at Sun Magnectica, 5th Floor, Near LIC Service Road, Louis Wadi, Thane- 400604 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company *
1	Mr. Vasant Rathi	01233447	05/03/1993
2	Mr. Mukund Kabra	00148294	04/09/1999
3	Mr. Pramod Kasat	00819790	14/12/2016
4	Mr. Vinodkumar Jajoo	08224980	09/02/2019
5	Ms. Rasika Rathi	08300682	08/01/2019
6	Mr. Sunny Sharma	02267273	02/11/2019
7	Ms. Rajshree Patel	08761022	12/06/2020
8	Mr. Nitin Deshmukh	00060743	01/07/2022
9	Mrs. Vandana Tilak	10048021	01/07/2023

*The date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 09.05.2026
UDIN: F005703H000318171

For Shiv Hari Jalan & Co.
Company Secretaries
FRN: S2016MH382700

Shiv Hari Jalan
Proprietor
FCS No: 5703
C.P.NO: 4226
PR No. 1576/2021

ANNEXURE V

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended March 31, 2026

A) CONSERVATION OF ENERGY

(I) Steps taken for conservation of energy:

1. Steam Condensate Recovery was performed to feed hot water to Boiler.
2. Air Handling Unit (AHU) was scheduled based on Lab / Production usage for optimizing Heating, Ventilation, and Air Conditioning (HVAC) system. Cold Insulation was done for Air Handling (AHU) systems ducts in Quality control section.
3. Energy Efficient Air conditioning system was installed and CFC free clean refrigerant gas was utilized for air conditioning. Energy Efficient & VFD grade motors for fermenter agitation motors were installed and operated.
4. LED lamps / motion sensors were installed for the various sections of the Plant.
5. Preventive maintenance / cleaning of Solar panel, Boilers, Air compressors, Chiller system and DG set was carried out to improve the energy efficiency. Preventive maintenance of electrical substation and power distribution network was carried out to enhance electrical power efficiency.
6. Extra capacitor bank was installed to maintain Power factor.
7. Variable Frequency Drive (VFD) was installed to reduce power and enhance equipment performance.

(II) Impact of measures taken:

1. Roof top Renewable Solar unit generated 408,733 Units.
2. Energy saving due to cold insulation: 220-240 KWH /month.
3. Stable KWH to Fuel ratio @ 3.84% achieved due to Preventive maintenance of DG set.
4. Hot insulation of steam and utility systems resulted in steam consumption @ 85 kg/hour
5. Chilled water generation system heat recovery improvement resulted in reduction of 25 kg/hour steam requirement.
6. Electrical Current Utilization of the Blowers reduced by 2-15 Amp/hour
7. Preventive Maintenance of all Critical and Utility equipment will enhance the Performance and reduction in the consumption of Power and Fuel.
8. Power bill Incentive and other rebates received from MSEDCL amounting to ₹ 3.5. million
9. Installation of LED light reduced lighting power consumption by 8-10% and reduced maintenance cost.
10. Reduction in heat loss by applying insulation on pipeline and other equipment.
11. By installation of capacitor bank, power factor of 0.999 was maintained which further resulted in efficient performance of Electrical equipment.
12. Installation of VFD resulted in the reduction of the initial torque of motor, smoother motor acceleration and extend equipment lifespan and energy efficiency.

(III) The steps taken by the Company for utilizing alternate sources of energy:

The Company has Solar Power Plant of 510 KW capacity. Further during the year under review, the Board has approved collaboration with a developer engaged in development of group captive wind power plant project through a SPV, for the purpose of availing Wind power/electricity up to 1.9 MW of power. Details are provided in the Board's report.

(IV) The capital investment on energy conservation equipment:

Sr. No.	Particulars	Amount (₹ in million)
1.	Electrical Power Factor Improvement measures	0.25
2.	Maximum Demand Controller	0.03
3.	Energy Saving Lighting fixture	1.70
4.	Energy Saving Frequency Drive & Motor	0.18
5.	Energy Saving CFC free Gas Air Conditioner	1.96
6.	Energy Efficient LED Lighting systems	0.26
7.	Capacitor For Maintaining Power Factor	0.07
8.	Insulation for reducing heat losses	0.39
9.	Cooling and Air Conditioner Unit	0.30
10.	Variable Frequency Drive (VFD)	0.78
	Total	**5.92**

B) TECHNOLOGY ABSORPTION

(I) Efforts in brief made towards technology absorption:

1. Developed pipelines for screening of enzymes and variants of the proteins through *in- silico* analysis.
2. High throughput screening assays for various enzyme assays were developed. Flowsheet developed to evaluate the variants in terms of reproducibility and scalability of the selected variants to match it's performance in deep well plate up to the large-scale process at the customer end.
3. Flow cytometry methods for enumeration of probiotics and postbiotic have been developed for few products.
4. Technologies to produce and commercialize enzymes for industrial applications, biocatalysts, human & pet nutrition and animal feed have been developed and adopted.
5. New enzymes and formulations for baking, carbohydrate modifications, protein modifications and food applications have been developed.
6. New enzymes and solutions for carbohydrate, protein and fat metabolism in human and pets. Research has been validated by *in vitro* and clinical research followed.

(II) Benefits derived as a result of the above efforts:

1. Virtual screening pipelines support in saving wet lab resources and reduce the lead time of the projects on development and engineering of enzymes for various applications in industrial applications, biocatalysts, human and pet nutrition, food industry, etc.
2. The implementation of the high throughput assays and the developed flow sheet have assisted in step – by – step evaluation of the variants and not missing out any of the positive hits.
3. The development of flow cytometry for enumeration of probiotics and postbiotics have resulted in accurate and time saving methods.
4. Food/Baking Enzymes: New enzymes/formulations developed to improve shelf life and market acceptability of the baked products. The new enzymes/formulations developed to make clean labelled baked products in the baking industry.
5. Human & pet Nutrition: New enzymes/probiotics formulations developed as holistic health solutions.

(III) Imported technology:

Technology imported: NIL

1. the details of technology imported: Not Applicable
2. Year of Import: Not Applicable
3. Has the technology been fully absorbed: Not Applicable
4. If not fully absorbed areas where absorption has not taken place, and the reasons thereof: Not Applicable

(IV) Benefits derived as a result of the above efforts pertaining to Imported Technology: Not Applicable

(V) Expenditure incurred on Research and Development:

(₹ in million)

Sr. No.	Particulars	2025-26	2024-25
(a)	Capital	11.12	31.87
(b)	Recurring	344.80	296.52
(c)	**Total**	**355.92**	**328.39**
(d)	Total R&D expenditure as a % of Net Sales of the Company	7.86%	9.34%

Notes: Net Sales of ₹ 4,527.66 million (previous year ₹ 3,514.11 million)
On consolidated basis, the Research and Development expenditure for FY 2025-26 was ₹ 246 million (3.30% of Net sales) and for FY 2024-25 was ₹ 248 million (3.86% of Net sales).

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in million)

Sr. No.	Particulars	2025-26	2024-25
(a)	Foreign Exchange Earnings	1,432.82	1,204.43
(b)	Foreign Exchange Outgo	970.21	704.79

For and on behalf of the Board of Directors of
Advanced Enzyme Technologies Limited

Mukund Kabra
Whole-Time Director
DIN: 00148294
Place: California, USA
Date : May 09, 2026

Vinodkumar Jajoo
Director
DIN: 08224980
Place: Nashik

ANNEXURE VI

DISCLOSURE IN BOARD'S REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

Sr. No.	Requirements	Disclosure		
		Name of the Directors	**Remuneration (₹ in million)**	**Ratio to median remuneration**
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year	Mr. Vasant L. Rathi (Chairman & Non-Executive Director)	1.57	2.58
		Mr. Mukund M. Kabra (Whole-time Director) Refer notes below	28.65	47.09
		Ms. Rasika Rathi (Non-Executive Director)	0.78	1.28
		Mr. Pramod Kasat (Independent Director)	1.31	2.15
		Mr. Vinodkumar H. Jajoo (Independent Director)	1.44	2.37
		Dr. Sunny Sharma (Non-Executive Director)	0.39	0.64
		Ms. Rajshree Patel (Independent Director)	1.04	1.71
		Mr. Nitin Deshmukh (Independent Director)	0.91	1.50
		Mrs. Vandana Tilak (Independent Director) Refer notes below	-	-

Notes:

(i) The median remuneration of employees of the Company was ₹ 0.61 million.

(ii) The Commission for financial year 2025-26 (FY26) payable to Directors is also included in the total remuneration.

(iii) For this purpose, the sitting fees have not been considered as remuneration.

(iv) Figures have been rounded off wherever necessary.

(v) The remuneration of Mr. Mukund Kabra as mentioned above is on payable basis and excludes leave encashment and Stock Options under the provisions of Advanced Enzyme Technologies Limited – Employees Stock Option Scheme 2022 ("ESOP Scheme 2022").

(vi) Mrs. Vandana Tilak has voluntarily waived the receipt of commission (₹ 0.52 million for FY26) and accordingly amount is show as Nil under the above field of Remuneration.

Sr. No.	Requirements	Name of the Directors and Key Managerial Personnel	Designation	% change (to be read with notes)
2.	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year (Name with % change in the financial year 2025-26) (To be read with notes)	Mr. Vasant L. Rathi	Chairman & Non-Executive Director	58.59
		Mr. Mukund M. Kabra	Whole-time Director	9.00
		Mr. Pramod Kasat	Independent Director	47.19
		Ms. Rasika Rathi	Non-Executive Director	32.20
		Mr. Vinodkumar H. Jajoo	Independent Director	32.11
		Dr. Sunny Sharma	Non-Executive Director	30.00
		Ms. Rajshree Patel	Independent Director	246.67
		Mr. Nitin Deshmukh	Independent Director	54.24
		Mrs. Vandana Tilak	Independent Director	NA
		Mr. Beni P Rauka	Chief Financial Officer	9.00
		Mr. Sanjay Basantani	Company Secretary and Head-Legal	12.00

Notes:

(i) The % increase in remuneration of Mr. Mukund Kabra, Whole-time Director is determined after excluding commission, leave encashment and Stock Options.

(ii) The percentage change in remuneration of Mr. Vasant Rathi and Ms. Rasika Rathi as shown in the above table are from the standalone perspective (i.e. commission payable). In addition, pursuant to the resolution passed by the Members of the Company in its meeting held on July 15, 2020, recommendation of the Nomination & Remuneration Committee and approval of the Board, as Mr. Vasant Rathi heads the US Operations and Ms. Rasika Rathi is Vice President, General Counsel & Secretary there, they were paid remuneration aggregating to ₹ 51.65 million (excluding commission of ₹ 7.39 million from US Subsidiary) and ₹ 22.08 million respectively for FY26 by the Company's subsidiary in US for the services rendered.

(iii) The amount of commission as mentioned above is determined and approved by the Board in proportion to the number of meetings of the Board and its Committees thereto attended by the respective Non-Executive Director(s) during the financial year 2025-26.

(iv) The % increase in remuneration of Mr. Beni P Rauka, CFO and Mr. Sanjay Basantani, Company Secretary and Head-Legal of the Company, is determined after excluding the annual incentives, leave encashment and stock Options under the ESOP Scheme 2022.

3.	The percentage increase in the median remuneration of employees in the financial year	During financial year 2025-26, the percentage increase in the median remuneration of employees as compared to previous year was approximately 8.17%
4.	The number of permanent employees on the rolls of company (As on March 31, 2026)	410
5.	Average percentage increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentage increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.	Average increase in remuneration is around 10.09% for employees other than Managerial Personnel and around 9% for Managerial Personnel.

Note: The average percentage increase was based on the financial performance of the Company as summarised in the Board's Report including the relevant factors mentioned in the Nomination and Remuneration Policy of the Company.

6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company.
7.	Pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended ("Rules"), the details are disclosed in this Annexure VI. In terms of Section 136(1) of the Act read with second proviso to the Rule 5 of the said Rules, the Annual Report with Annexure VI is being sent to the Members excluding the statement of particulars of employees under Rule 5(2) and (3) of the Rules ("Information"), which forms part of this report. The Annexure VI / Information under Rule 5(2) and (3) is available for inspection by the Members at the registered office of the Company during business hours on all working days except Saturdays and Sundays up to the date of the AGM. Any Member interested in conducting inspection and/or obtaining a copy of the said Annexure/Information may write to the Company Secretary at the Registered Office address of your Company.	

For and on behalf of the Board of Directors of
Advanced Enzyme Technologies Limited

Mukund Kabra	**Vinodkumar Jajoo**
Whole-time Director	**Director**
DIN: 00148294	**DIN: 08224980**
Place: California, USA	**Place: Nashik**
Date: May 09, 2026	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identification Number (CIN) of the Listed Entity**	L24200MH1989PLC051018
2.	**Name of the Listed Entity**	Advanced Enzyme Technologies Limited ("AETL")
3.	**Year of Incorporation**	1989
4.	**Registered office address**	5th Floor, 'A' wing, Sun Magnetica, LIC Service Road, Louiswadi, Thane (W) - 400 604, Maharashtra, India
5.	**Corporate office address**	
6.	**E-mail**	info@advancedenzymes.com
7.	**Telephone**	+91-22-4170 3200
8.	**Website**	www.advancedenzymes.com
9.	**Financial year for which the reporting is done**	FY 2025-26 (April 01, 2025 to March 31, 2026)
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital**	₹ 223.85 million (as of March 31, 2026)
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Ronak Saraf, Manager-Investor Relations ir@advancedenzymes.com; +91 22-4170 3200
13.	**Reporting Boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**	Disclosures under this report are made on a standalone basis for Advanced Enzyme Technologies Limited
14.	**Name of assurance provider**	NA
15.	**Type of assurance obtained**	NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Manufacturing	Chemical and chemical products; pharmaceuticals; medicinal chemical and botanical products	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover)

S. No.	Product/service	NIC Code	% of total turnover contributed
1.	Enzymes and Probiotics	21001	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National (India)	4	2	6
International	-	-	-

Note: AETL has 2 R&D laboratories

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19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	PAN India presence across all 28 states and 8 Union Territories
International (No. of countries)	Exported to 52 countries across 5 continents

Note: During FY 2025-26, the Company dispatched its materials to 20 states and 4 Union Territories

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports account for 33.58% of the revenues.

c. A brief on types of customers

The Company provides proprietary enzymes & probiotics products and customized solutions to Human Nutrition, Animal Nutrition, Bio-Processing Industry (Food & Non-Food processing).

IV. Employees

20. Details as at the end of financial year: 2025-26

a. Employees and Workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	362	278	76.80%	84	23.20%
2.	Other than permanent (E)	38	33	86.84%	5	13.16%
3.	**Total employees (D + E)**	**400**	**311**	**77.75%**	**89**	**22.25%**
	Workers					
4.	Permanent (F)	47	47	100.00%	0	0.00%
5.	Other than permanent (G)	315	305	96.83%	10	3.17%
6.	**Total workers (F + G)**	**362**	**352**	**97.24%**	**10**	**2.76%**

b. Differently abled Employees and Workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently Abled Employees					
1.	Permanent (D)	1	1	100.00%	0	0.00%
2.	Other than permanent (E)	0	0	0.00%	0	0.00%
3.	**Total differently abled Employees (D + E)**	**1**	**1**	**100.00%**	**0**	**0.00%**
	Differently Abled Workers					
4.	Permanent (F)	0	0	0.00%	0	0.00%
5.	Other than permanent (G)	0	0	0.00%	0	0.00%
6.	**Total differently abled Workers (F + G)**	**0**	**0**	**0.00%**	**0**	**0.00%**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	3	33.33%
Key Management Personnel (KMP)*	2	0	0.00%

*Note: KMP includes Chief Financial Officer (CFO) and Company Secretary (CS)

22. Turnover rate for permanent Employees and Workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.55%	25.16%	14.11%	6.68%	17.02%	9.29%	11.21%	12.40%	11.49%
Permanent Workers	2.11%	0.00%	2.11%	3.01%	0.00%	2.94%	7.69%	0.00%	7.69%

V. Holding, Subsidiary and Associate companies (including joint ventures)

23. Names of Holding/Subsidiary/Associate companies/Joint Ventures

S. No.	Name of the Holding / Subsidiary / Associate companies / Joint ventures (A)	Indicate whether Holding / Subsidiary / Associate / Joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the business responsibility initiatives of the listed entity? (Yes/No)
1.	JC Biotech Private Limited#	Subsidiary	96	No, the subsidiaries are separate entities, and hence they follow Business Responsibility initiatives as per the laws as may be applicable to them.
2.	Advanced Bio-Agro Tech Limited	Subsidiary	60	
3.	Advanced EnzyTech Solutions Limited	Subsidiary	100	
4.	Advanced Enzymes USA	Subsidiary	100	
5.	Cal-India Foods International	Subsidiary (Step-down)	100	
6.	Advanced Supplementary Technologies Corporation	Subsidiary (Step-down)	100	
7.	Enzyme Innovation Inc.	Subsidiary (Step-down)	100	
8.	Starya Labs Inc.	Subsidiary (Step-down)	100	
9.	Advanced Enzymes Europe B.V.	Subsidiary	100	
10.	evoxx technologies GmbH	Subsidiary (Step-down)	100	
11.	SciTech Specialities Private Limited	Subsidiary	51	
12.	Saiganesh Enzytech Solutions Private Limited	Subsidiary	50	
13.	Advanced Nutrazyme Private Limited*	Subsidiary	100	

Note:

*During the financial year 2025-26, the Board of Directors of Advanced Enzyme Technologies Limited (AETL), has accorded its approval for formation of a subsidiary, Advanced Nutrazyme Private Limited (ANPL). The subsidiary received its certificate of incorporation on 4 July 2025.

#Currently holds 95.72% in JC Biotech Private Limited.

VI. CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

ii. Turnover (in million) : ₹ 4,527.66 million (on standalone basis)

iii. Net worth (in million) : ₹ 7,096.23 million (on standalone basis)

VII. Transparency and Disclosures compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on responsible business conduct ("NGRBC") :

Stakeholder group from whom complaint is received	Grievance redressal mechanism in Place (Yes/No) (If yes, then provide a weblink to the grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	No	NIL	NIL		NIL	NIL	
Investors (other than Shareholders)	No	NIL	NIL		NIL	NIL	
Shareholders	Yes*	1	NIL		1	NIL	
Employees and workers	Yes	NIL	NIL		NIL	NIL	
Customers	Yes	19	NIL		31	NIL	
Value chain partners	No	4	NIL		5	NIL	
Other (please specify)	No	NIL	NIL		NIL	NIL	

Note: Value Chain Partners include entities with which the organisation has a direct or indirect business relationship and which either (a) supply products or services that contribute to the organisation's own products or services or (b) receive products or services from the organisation.

Weblink of all the policies: www.advancedenzymes.com/investors/corporate-governance/#codes-and-policies

*The Grievance Redressal Mechanism is as per the applicable regulations

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1.	Climate risk	Risk	The Company may face significant changes in its operating environment due to climate change, such as disruptions in production, shifts in customer preferences, and other potential impacts	The Company stays up to date with the latest developments and implements necessary risk mitigation strategy. This may include analysing and assessing the potential consequences that could impact the business	Negative Increased production costs for adaptation
		Opportunity	The Company may consider climate change an opportunity since addressing it will necessitate the development of new and improved products across the globe	The Company is preparing to adapt to the evolving market conditions due to climate change	Positive Increased revenue from new product development and market adaptation
2.	Environmental impact	Risk	As a manufacturing company, the plants run by AETL always carry the risk of having a negative impact on the environment	The Company has a strong system in place for establishing its 'Standard Operating Procedures' with a key focus on protecting the environment. E.g. the complete range of enzymes produced by the Company is eco-friendly	Negative Potential fines, remediation costs, and damage to reputation
3.	Energy conservation	Opportunity	The Company conserves energy, which results in using less energy to achieve the same or even higher output, reducing costs and significantly reducing environmental impact	The Company consistently implements measures to conserve energy, such as installing more energy-efficient technology and products	Positive Cost savings from reduced energy consumption and environmental benefits.
4.	Carbon emissions	Risk	Scientific studies have shown that industry carbon emissions contribute significantly to the greenhouse effect, which is the primary cause of global climate change	The Company is developing a strategy to decrease its emissions and conform to the 'net zero' goals within its specific regions	Negative As the Company is a manufacturing concern, carbon emission will remain a certain part of operations for certain time period but never the less the Company endeavours for Cost savings from emission reduction
5.	Water usage and management	Opportunity	Using and managing water efficiently results in lower costs and also aids in reducing the adverse effects of groundwater depletion and water pollution	The Company understand its responsibility towards water usage and its efficient usage. Hence, a system is in place to recycle wastewater, that can be used in different operations. Water usage monitoring across various facilities enables us to strategize the reduction efforts	Positive Cost savings from reduced water consumption and environmental benefits
		Risk	There is a great degree of dependency on uninterrupted supply of water for continued operations. Therefore, water management becomes crucial for the Company's operations. With changing climate and drought like conditions, water availability is increasingly becoming a risk across different geographies.		Negative High dependency on uninterrupted water supply creates risk for plant operations

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S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
6.	Waste reduction	Opportunity	Minimising waste involves an all-encompassing approach of utilising fewer materials to decrease waste production. Such a practice results in conserving natural resources and cost savings	The Company is dedicated to minimising waste to attain environmental and economic advantages	Positive Cost savings from reduced waste disposal and resource conservation
7.	Material handling	Risk	Being an industrial manufacturer, the Company deals with material handling, which involves transporting and storing materials and products. This encompasses several stages: raw material handling, manufacturing processes, warehousing, and distribution	The Company employs industry-leading practices to manage both raw materials and finished products, ensuring the most efficient and effective material handling	Negative Increased operational costs and potential damages from mishandling
8.	Supply chain management	Risk	External and internal events may result in challenges related to the sourcing and transporting of raw materials and finished products, potentially leading to missed business opportunities and revenue losses	The Company continuously strives to optimise cost-effectiveness and timely deliveries. To ensure delivery timelines, raw materials are procured from reputable manufacturers. The Company also maintains adequate buffer stock to prevent potential delivery delays	Negative Increased costs from supply chain disruptions and potential revenue losses
9.	Customer experience	Risk	The survival and success of any business heavily rely on its customers. A decrease or discontinuation in customer demand can negatively impact the Company's revenue and profitability	The Company has been proactively improving the quality and consistency of the customer experience while also diversifying its client base, thereby reducing business risks	Negative Decreased revenue from declining customer demand and potential loss of market share
10.	Health & Safety	Risk	Due to the nature of its operations, the Company must contend with risks that could potentially threaten the health and safety of its employees and customers. This necessitates objectively assessing potential hazards that may lead to harm, injury, illness, or even death of employees or customers	The Company has 'zero tolerance' for any compromise or deviation from accepted norms and everyone is expected to abide with them. The Company also endeavors and strives to fulfil all applicable compliance requirements related to health and safety. The health and safety of our people and customers was, is and will continue to be our topmost priority	Negative Increased costs from workplace accidents, legal liabilities, and damage to reputation

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
11.	Employee engagement	Opportunity	Employee engagement is the assessment of the commitment, enthusiasm, and interest employees feel towards their job and overall responsibilities within the organisation. It presents an opportunity for the Company as studies have shown that employees who are more engaged tend to be more conscientious about their work and the Company's performance	The Company is dedicated to creating a work environment that encourages and supports its employees to excel by implementing employee engagement programmes. The Management is focused on providing employees with better tools, technology, and techniques to optimise their potential and improve teamwork	Positive Increased productivity, morale, and retention lead to cost savings and revenue growth
12.	Community engagement	Opportunity	In order to foster resilience in business and establish a positive, sustainable, long-term relationship with the community, organisations must have a clear vision and work collaboratively. The individuals who are directly or indirectly connected with the Company are significant stakeholders	The Company strives to monitor its initiatives aimed at benefiting the community. The senior management regularly reviews and evaluates the programmes and their progress	Positive Enhanced brand reputation, customer loyalty, and potential revenue growth
13.	Data privacy & security	Risk	Data privacy has become a significant risk factor in the modern world, but it can also be a valuable source of competitive advantage if managed properly. Despite this, effective information and data management continues to pose compliance challenges, which may lead to reputation risks	The Company has a strong framework in place to identify cybersecurity risks. Recognising the growing significance of data privacy concerns, the Company takes a comprehensive and coordinated approach to information security and data privacy systems	Negative Financial losses from data breaches, legal penalties, and damaged reputations

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S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
14.	Product quality and safety	Opportunity	Improving product quality and safety and meeting customer expectations can attract more customers and subsequently increase revenue	By ensuring high product quality, the company can build a strong reputation for delivering reliable and effective enzymes which can lead towards attracting and retaining customers. Quality and safety measures also minimize product recalls, warranty claims, and customer complaints, leading to cost savings	Positive Increased customer satisfaction, reduced warranty claims, and improved brand reputation
		Risk	The retention of customers is heavily reliant on maintaining high levels of product quality and safety. Any shortcomings in meeting customer expectations can negatively impact revenue	The Company follows quality control and quality assurance processes to ensure that each product manufactured meets the high quality standards established by the Company	Negative Can lead to product withdrawals, recalls, regulatory action, decreased sales, reputational risk, increased litigation followed by increase in litigation cost
15.	Corporate governance	Opportunity/ Risk	Ensuring robust corporate governance is fundamental to fulfilling the objectives of the organization, as any risks have the potential to erode the trust of the stakeholders, dent the reputation of the organization, and may disrupt its business	The Board effectiveness is enhanced by selecting the right mix of individuals to serve on the Board, with the requisite qualifications, expertise and experience, who can collectively serve the best interests of all stakeholders, maintain board and management accountability and drive corporate ethics, values and sustainability	Positive Improved stakeholder trust and potential revenue growth Negative Decreased trust leading to loss of investors or customers
16.	Investment in R&D	Opportunity	To attain operational excellence and generate value for our stakeholders, we aim to bolster our research capabilities by utilizing state-of-the-art technologies and establishing world-class laboratories	The Company has wide talent pool for every division it operated in. By adopting new technological innovations, Advanced Enzymes can gain a competitive edge and explore new opportunities for sustainable growth in the long run	Positive Potential for new product development and revenue growth
		Risk	The Company operates in highly volatile & evolving industry that needs continuos and efficient R&D. Many a times R&D takes more than expected time & resources, leading to the cost escalation. At times, despite quality research the Company may not get the desired output which may lead to the delayed product launch resulting in the lower ROI from R&D		Negative Cost escalation due to elongated R&D timeline and revenue loss due to delayed product launch
17.	Regulatory compliance	Risk	The enzymes and probiotics industry is subject to extensive regulation, and the regulatory framework is continuously evolving in response to the impacts of globalization, the emergence of new markets, the introduction of new technologies, and the increasing expectations of patients, investors, and regulators	Maintaining the highest standards of quality and adhering to applicable regulatory requirements are top priorities for us. Our facilities located nationwide follow Good Manufacturing Practice (GMP) guidelines	Negative Fines, penalties, and potential revenue losses due to non-compliance

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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC principles and core elements referred as P1-P9 as given below:

P1 - Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.

P2 - Businesses should provide goods and services in a manner that is sustainable and safe.

P3 - Businesses should respect and promote the well-being of all employees, including those in their value chains.

P4 - Businesses should respect the interests of and be responsive to all its stakeholders.

P5 - Businesses should respect and promote human rights.

P6 - Businesses should respect and make efforts to protect and restore the environment.

P7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

P8 - Businesses should promote inclusive growth and equitable development.

P9 - Businesses should engage with and provide value to their consumers in a responsible manner.

S. No.	Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7#	P 8	P 9
	Policy and management processes									
1.	**a. Whether the entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Y	Y	Y	Y	Y	Y	N	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y
	c. Weblink of the policies, if available	www.advancedenzymes.com/investors/corporate-governance/#codes-and-policies								
2.	**Whether the entity has translated the policy into procedures. (Yes/No)**	Y	Y	Y	Y	Y	Y	N	Y	Y
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)***	Y	Y	Y	Y	Y	Y	N	Y	Y
4.	**Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle**	ISO 9001:2015	Food Safety System Certifications (FSSC) 22000, ISO 9001:2015, Halal, Kosher, WHO-GMP, GMP Plus, Written Confirmation, Input for Organic Processing /Production, Export Inspection Agency, Global Organic Textile Standard (GOTS)	ISO 45001:2018	ISO 9001:2015	Halal Certification, Kosher Certification	ISO 14001:2015, ZDHC MRSL level 3.0 conformance certificate	Export Inspection Agency, Written Confirmation	-	WHO-GMP Certification, Food Safety System Certifications (FSSC) 22000
5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any**	N	N	N	N	N	N	NA	N	N
6.	**Performance of the entity against the specific commitments, goals and targets alongwith reasons in case the same are not met.**	The Company uses eco-friendly methods to create sustainable products, making it a comprehensive offering for both customers and end users. The Company is currently working on establishing emission targets that align with the Science Based Targets initiative, which offers a specific plan for companies to decrease their carbon emissions. • The Company has implemented a human rights policy distributed to all its employees. The employees are fully informed about workplace ethics, labour laws, and other relevant policies through various means of communication such as display boards, handbooks, and other forms of communication. The Company takes measures to prevent the use of forced or child labor within the workplace and conduct thorough compliance audit to ensure this policy is upheld. • The Company takes measures to abide by the laws and regulations in India and in other countries where it conducts business. Additionally, a Whistle Blower Policy is in place that enables directors and employees to report any concerns without fear of retaliation. • The Company strives to strengthen its relationships with stakeholders by actively seeking their perspectives on topics that are important to them. This includes issues related to the environment, society, and the economy that may impact the Company ability to generate value. By gaining these insights, the Company can better understand how the stakeholders perceive value, pinpoint emerging trends, identify potential risks and opportunities, and develop appropriate strategic responses.								
	Governance, leadership and oversight									
7.	Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements In our Annual Report and Business Responsibility and Sustainability Report, we have addressed all crucial matters concerning business responsibility and sustainability at Advanced Enzyme Technologies Limited. However, I would like to take this opportunity to articulate our unchanging values and strategic priorities regarding business resilience and sustainability. These times are challenging for everyone in various ways, as humanity grapples with combating climate change, eradicating violent conflict, fostering community development, and conducting ethical, transparent, and responsible business. We must prioritize inclusive growth and sustainable development without sacrificing the unique developmental requirements of different regions and the welfare of the poor and marginalized. We have consistently endeavored to include all stakeholders in our journey of growth and progress. It is imperative that we always conduct our business responsibly and sustainably, with trust and transparency. We also encourage and support our suppliers, vendors, distributors, partners, and other stakeholders to adopt the same principles. On behalf of the board and management, I would like to express our commitment to continue conducting our business ethically and responsibly, with the interests of all stakeholders guiding our conduct.									
8.	Details of the highest authority responsible for implementing and overseeing the Business Responsibility policy(ies)	Mr. Vasant Rathi Chairman & Non-Executive Director DIN: 01233447								
9.	Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details	Yes Mr. Mukund Kabra Whole-time Director DIN: 00148294								

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10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by Director/Committee of the Board / Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7[#]	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7[#]	P 8	P 9
Performance against the above policies and follow-up action	Board Members or senior leadership team review the effectiveness of policies and procedures and recommend necessary changes									Periodic or need-based								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Senior management reviews and issues a Statutory Compliance Certificate to the Board of Directors									Periodic or need-based								

11.	P 1	P 2	P 3	P 4	P 5	P 6	P 7[#]	P 8	P 9
Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency	The independent assessment has not been carried out by the Company. However, an internal evaluation is carried out on a periodical basis.								

12. If the answer to question (1) above is 'No' i.e. not all principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7[#]	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

[#]Note: Presently, AETL is not engaged in influencing public and regulatory policy.

[*]The value chain partners are encouraged to adhere to these policies, as applicable or expected from responsible businesses.

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as 'Essential' and 'Leadership'. While the essential indicators are expected to be disclosed by every entity mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and it's impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	6	The Company acquaints its director(s) operations, financials, risk management framework, business, annual budget and other important information update, primarily during the Board and Committee meetings and Indore Plant visit	100.00%
Key Managerial Personnel	7	Programs for familiarisation as mentioned above including Prevention of Sexual Harassment awareness training	100.00%
Employees other than BoD & KMPs	35	Leadership Workshop, Prevention of Sexual Harassment, Data Integrity, Labour law-new labour codes, fire safety training, pharma regulations codes, Awareness regarding FSSC 22000 Ver. 6.0	57.30%
Workers	40	Labour law-new labour codes, fire safety trainings, pharma regulations codes, Awareness regarding FSSC 22000 Ver. 6.0, Awareness of ISO standards, current Good Manufacturing Practices (CGMP), Good Distribution Practices (GDP) HALAL etc.	66.45%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators / law enforcement agencies/ judicial institutions, in the financial year, in the following format:

	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/fine	1	Office of the Commissioner of GST, Nashik	36,000	Details of E way bill not found on the invoice raised by the Company and no other supporting evidence of actual movement of goods was shown, pertaining to Input Tax Credit (ITC)	No
		Maharashtra Pollution Control Board	18,801	Late implementation of effluent treatment plant at one of the premises of the Company	No
		Customs, Excise and Service Tax Appellate Tribunal	100,000	The Customs, Excise and Service Tax Appellate Tribunal has set aside the order passed by the learned Commissioner of Central Excise, Customs and Service Tax, Nashik-II, dated December 14, 2016, which had disallowed the CENVAT credit and imposed a penalty of Rs. 5,00,000 on the Head Office of the Company at Thane. The Company had filed an appeal against the said order, pursuant to which the Appellate Tribunal set aside the order of the Commissioner by allowing the CENVAT credit and reducing the penalty imposed on the Head Office of the Company to Rs. 100,000.	No

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	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Settlement	-	-	-	-	-
Compounding fee	1	Reserve Bank of India	64,327	The Company had written off the loan granted to a foreign subsidiary including the interest thereto without submitting the requisite documents to the AD Bank as required under Regulation 16A(1) of the FEMA (Transfer or Issue of any Foreign Security) Regulations notified under Notification No. 120/RB-2004 dated July 07, 2004 as amended from time to time	No
Non-Monetary					
Imprisonment	NIL				
Punishment					

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case details	Name of the regulatory/enforcement agencies/judicial institutions
NIL	NIL

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:**

Yes, AETL has a robust anti-corruption and anti-bribery policy outlined in its Code of Conduct and Ethics Policy. The policy applies to the Board of Directors, senior management personnel and all employees. It strictly prohibits the acceptance or offering of gifts, donations, remuneration, or any other benefits to influence business favours. Bribery, whether direct or indirect, is strongly discouraged, aligning with the Prevention of Corruption Act, 1988 (as amended from time to time) and other relevant legislation globally.

www.advancedenzymes.com/investors/corporate-governance#codes-and-policies

5. **Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:**

	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	NIL		NIL	
Number of complaints received in relation to issues of conflict of interest of the KMPs				

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2025-26	FY 2024-25
Number of days of accounts payables	67.31	40.57*

*Note: Due to regrouping, Trade Payable numbers have undergone changes and accordingly the ratio is also modified.

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	25.87%	23.57%
	b. Number of dealers/distributors to whom sales are made	104	88
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/Distributors	69.27%	71.04%
Shares of RPT in	a. Purchases (Purchases with related parties/Total purchases)	33.22%	33.30%
	b. Sales (Sales to related parties/Total sales)	19.36%	27.67%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	-	-
	d. Investments (Investments in related parties/Total investments made)	79.12%	87.36%

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness campaign held	Topics/Principles covered under the training	% age of value chain programme partners covered (by value of business done with such partners) under the awareness programmes
No		

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same:**

Yes, AETL implements stringent measures to prevent and manage conflict of interest among its Board members, senior management personnel and employees. The Code of Conduct and Ethics policy prohibits Board members from engaging in activities conflicting with the Company's interests. Independent Directors are granted freedom in their professional endeavours, while ensuring transparency. Specific scenarios leading to conflicts, such as interference with duties or investments compromising responsibility, are outlined. Transactions involving related parties are disclosed to the Board as per legal requirements, with ordinary business dealings exempted.

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Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	100.00%	100.00%	• Developed next-generation engineered proteins
Capex	100.00%	100.00%	• Developed Enzymes and probiotics. Enzymes can often replace chemicals or processes that present safety or environmental issues.

2. a. **Does the entity have procedures in place for sustainable sourcing (Yes/No)**

   Yes, the Company sources its raw materials locally, thereby reducing its carbon footprint. The Company has established a supplier sustainability criterion and implemented a process for vendor selection. This encompasses adhering to the Safety, Health and Environment Policy, complying with legal requirements, and obtaining ISO certification, among others. Additionally, the Company makes a sincere effort to procure raw materials from suppliers who comply with regulatory requirements.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   Approximately 90% of sourcing is procured sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   - Plastics, E-waste, Hazardous waste, and other waste are disposed of through authorised scrap dealers registered with the State Pollution Control Board
   - Hazardous waste generated in the process is reprocessed in-house at one of the plants and used as one of the raw materials in the manufacturing of other application products
   - Liquid waste from the R&D centre is treated according to the State Pollution Control Board protocol, and the treated waste is used for watering plants

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   No, given the nature of business, Extended Producer Responsibility (EPR) is not applicable to the Company.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC code	Name of Product/Service	% of total turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No) If yes, provide the weblink
No					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of the Product / Service	Description of the risk / concern	Action / taken
NA		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or reused input material to total material (%)	
	FY 2025-26	FY 2024-25
Raw Material*	12.49	13.79

Note: *As multiple raw materials are consumed during the process, the name of each raw material cannot be mentioned

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2025-26			FY 2024-25		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastics (including packaging)	NIL	NIL	NIL	NIL	NIL	NIL
E-waste	NIL	NIL	NIL	NIL	NIL	NIL
Hazardous waste	NIL	NIL	NIL	NIL	NIL	NIL
Other waste	NIL	NIL	NIL	NIL	NIL	NIL

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
NIL	

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Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	279	187	67.03%	279	100.00%	NA	NA	92	32.97%	NA	NA
Female	84	13	15.48%	84	100.00%	84	100.00%	NA	NA	NA	NA
Total	**363**	**200**	**55.10%**	**363**	**100.00%**	**84**	**23.14%**	**92**	**25.34%**	**NA**	**NA**
Other than Permanent employees											
Male	33	33	100.00%	33	100.00%	NA	NA	0	0.00%	NA	**NA**
Female	5	5	100.00%	5	100.00%	5	100.00%	NA	NA	NA	**NA**
Total	**38**	**38**	**100.00%**	**38**	**100.00%**	**5**	**13.16%**	**0**	**0.00%**	**NA**	**NA**

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	47	47	100.00%	47	100.00%	NA	NA	NA	NA	NA	NA
Female	0	0	0.00%	0	0.00%	NA	NA	NA	NA	NA	NA
Total	**47**	**47**	**100.00%**	**47**	**100.00%**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Other than Permanent workers											
Male	305	**34**	11.00%	305	100.00%	NA	NA	NA	NA	NA	NA
Female	10	1.00	10.00%	10	100.00%	NA	NA	NA	NA	NA	NA
Total	**315**	**35**	**11.11%**	**315**	**100.00%**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.58%	0.12%

2. **Details of retirement benefits, for current financial year and previous financial year:**

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/NA)
PF	100.00%	100.00%	Y	91.67%	92.93%	Y
Gratuity	99.00%	12.98%	Y	91.41%	16.16%	Y
ESI	23.19%	87.02%	Y	17.68%	80.81%	Y
Others - Super Annuation	14.46%	0.00%	Y	15.66%	0.00%	Y

3. **Accessibility of workplaces:**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, depending on the accessibility requirement of an employee under different departments of our premises / offices, the arrangements are done accordingly. In compliance with the requirements of the Rights of Persons with Disabilities Act, 2016, the plants and offices are accessible by differently abled persons.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:**

Yes, AETL is committed to maintaining an Equal Opportunity Policy aimed at nurturing an inclusive workplace environment. The Company provides equal employment opportunities and ensures fair treatment for all employees, regardless of gender, age, physical ability, beliefs, religion, sexual orientation, ethnicity, caste, or any other discriminatory factor. The Company values the diversity within its workforce and actively supports the development and growth of talent within the organisation. Moreover, AETL believes that optimal performance is achieved when there is an environment of mutual trust and collaboration among all employees.

Weblink: www.advancedenzymes.com/investors/corporate-governance/#codes-and-policies

5. **Return to work and retention rates of permanent employees and workers that took parental leave:**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NIL	NIL
Female	80%	80%	NIL	NIL
Total	**86%**	**86%**	NIL	NIL

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:**

AETL prioritises fostering a work culture based on mutual trust and respect. Recognising that grievances may arise regarding supervisors, co-workers, or working conditions, the Company has implemented a well-defined, structured, and hierarchical procedure for addressing such concerns. Employees are encouraged to first raise their grievances with their reporting managers and HR representatives. If the grievances remain unresolved, they have the option to escalate the matter to AETL's senior management team. Furthermore, the Company regularly reviews and adjusts this process as needed based on evolving circumstances and the specific needs of different employee categories.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes (as mentioned above)
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. **Membership of Employees and Workers in association(s) or Unions recognised by the listed entity:**

Category	FY 2025-26			FY 2024-25		
	Total Employees/ Workers in the respective category (A)	No. of Employees/ Workers in the respective category who are part of association(s) or Union (B)	% (B/A)	Total Employees/ Workers in the respective category (C)	No. of Employees/ Workers in the respective category who are part of association(s) or Union (D)	% (D/C)
Total Permanent employee	**362**	**NIL**	**NIL**	**290**	**NIL**	**NIL**
Male	278	NIL	NIL	215	NIL	NIL
Female	84	NIL	NIL	75	NIL	NIL
Total Permanent workers	**47**	**47**	**100%**	**48**	**48**	**100%**
Male	47	47	100%	48	48	100%
Female	NA	NA	NA	NA	NA	NA

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8. Details of training given to Employees and Workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and Safety measures		On Skill Upgradation		Total (D)	On Health and Safety measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E / D)	No. (F)	% (F/D)
Employees										
Male	312	215	68.91%	307	98.40%	298	188	63.09%	193	64.77%
Female	89	18	20.22%	89	100.00%	98	58	59.18%	66	67.35%
Total	**401**	**233**	**58.10%**	**396**	**98.75%**	**396**	**246**	**62.12%**	**259**	**65.40%**
Workers										
Male	352	352	100.00%	47	13.35%	287	220	76.66%	152	52.96%
Female	10	10	100.00%	0	0.00%	10	6	60.00%	6	60.00%
Total	**362**	**362**	**100.00%**	**47**	**12.98%**	**297**	**226**	**76.09%**	**158**	**53.20%**

9. Details of performance and career development reviews of Employees and Workers:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	312	312	100.00%	298	298	100.00%
Female	89	89	100.00%	98	98	100.00%
Total	**401**	**401**	**100.00%**	**396**	**396**	**100.00%**
Workers						
Male	352	47	13.35%	287	287	100.00%
Female	10	0	0.00%	10	10	100.00%
Total	**362**	**47**	**12.98%**	**297**	**297**	**100.00%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes, AETL has established a robust occupational health & safety management system certified under ISO 45001, meeting the requirements for an Occupational Health & Safety (OH&S) management system across all its units. The system covers all employees, including regular staff and contractors, encompassing 100% of the organisation. Additionally, the Company adheres to legal regulations, such as the Occupational Safety, Health and Working Conditions Code, 2020, the Boilers Act, the Environment Protection Act, and other relevant government mandates, ensuring comprehensive compliance with health & safety standards.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

AETL is committed to fostering a safe and healthy work environment across its premises, prioritising the prevention of safety incidents and work-related illnesses. The Company has established an organised and systematic procedure for identifying potential hazards, evaluating associated risks, and implementing measures to mitigate and control them effectively. Moreover, the Company's approach focusses on taking appropriate actions to eliminate or minimise risks, while creating awareness among all staff and workers to actively participate in maintaining workplace safety.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, AETL actively promotes a culture of reporting near-miss incidents among its employees to identify potential risks and prevent future incidents. Additionally, each site has a dedicated procedure for reporting work-related hazards, injuries, unsafe conditions, and acts, ensuring that any concerns are promptly addressed and appropriate measures are implemented to maintain a safe working environment.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, AETL ensures the well-being of its employees by conducting periodic medical check-ups and providing personal accident insurance coverage.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High-consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

* including the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

AETL has established an environmental, health, and safety (EHS) Committee at the plant level, comprising both management and worker representatives, to oversee environmental, health, and safety initiatives. Regular meetings of the EHS Committee are held to address various issues, including identifying training needs, reviewing Hazard Identification and Risk Assessment (HIRA), and proposing enhancements. Following these discussions, necessary corrective and preventive measures are implemented to maintain a secure and healthy work environment. Additionally, comprehensive fire safety arrangements are in place, ensuring a safe and healthy workplace for all employees & workers.

13. Number of complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	NIL			NIL		
Health & safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the plants were assessed as follows: - Nashik: Entire plant assessment as per ISO 45001:2018, assessment by Jt. Director Health and Safety - Pithampur: Entire plant has been assessed by IR class as per FSSAI guidelines. - As per FSSC 22000 certification
Working conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

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Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Y/N) (B) Workers (Y/N):**

   (A) Employees – Yes, AETL provides either in form of mediclaim or accidential death insurance policy and other benefits.

   (B) Workers – Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:**

   AETL commits to complying with current regulations by withholding and depositing all applicable statutory dues related to its transactions. This adherence undergoes rigorous examination as part of internal statutory audits.

3. **Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total number of affected Employees/Workers		Number of Employees/Workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	NIL	NIL	NIL	NIL
Workers				

4. **Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

   No

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:**

   NIL

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity:**

   AETL considers anyone or any entity directly or indirectly influencing its operations or business chain as a crucial stakeholder. This includes customers, shareholders, suppliers, communities, government and regulatory bodies, and employees. The Company conducts periodic mapping exercises to identify and engage with these stakeholders effectively.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ Others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Employees	No	One-on-one interactions, e-mail, senior management meet and internal communication platforms	Quarterly, annually and need-based	Career development, salary and other perquisites, work ethics, policy communication and team building
Shareholders	No	Press releases, e-mail, media releases, annual general meeting, stock exchange(s) intimations and website	Quarterly, half-yearly, annual and need-based	Financial performance, key risks and mitigation, operational highlights, share price appreciation and dividend distribution
Customers	No	E-mail, SMS, pamphlets, advertisement, website and meetings	Ongoing & need-based	Superior customer service throughout the life cycle
Suppliers	No	E-mail, website and meetings	Ongoing and need-based	Timely delivery, payment terms & conditions and the quality of goods procured
Communities	Yes	E-mail, meetings, telecommunications, and one- on-one meetings	Ongoing	CSR, community complaints, awareness programme and community development
Media	No	Press meets, management interviews, conference calls, newspaper, advertisement and website	Quarterly or need-based	Business and industry updates and quarterly results
Governments and Regulatory bodies	No	Meetings and visits	Need-based	Compliance, governance practices and regulatory approvals

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board**

   AETL employs multiple communication channels to actively engage with its diverse stakeholders. This indomitable dedication to ongoing, proactive dialogue with key stakeholders empowers the Company to consistently enhance its strategies and performance. Priority is given to crafting policies and programmes that uphold principles of equity and transparency, fostering a well-rounded approach that considers the interests of all stakeholders.

2. **Whether stakeholder consultation is used to support identifying and managing environmental and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, AETL actively collaborates with a diverse range of stakeholders to gain profound insights into their expectations and benchmark its practices against industry standards. Continuously and actively striving to understand the impact of its sustainability strategy and future priorities, the Company engages in regular consultations with both internal and external stakeholders. These consultations play a pivotal role in shaping the Company's CSR agenda and sustainability initiatives, ensuring alignment with stakeholder needs and preferences.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.**

   AETL is dedicated to enhancing the well-being of marginalised and disadvantaged groups in society, emphasising sustainable livelihoods and nurturing a robust human capital ethos. Through its Corporate Social Responsibility (CSR) policy, the Company directs its efforts across various sectors, including education, skills development, healthcare, sanitation, environmental sustainability, women's empowerment, and rural development. By concentrating on specific areas requiring improvement, AETL strives to elevate living standards and contribute to overall societal advancement through the following initiatives:

   - Collaborating with trusts and NGOs to allocate resources for CSR activities
   - Initiating specific initiatives, such as vocational training for differently-abled adults, addressing malnutrition and educational deficiencies among tribal children, treating thalassemia patients and supporting educational endeavours
   - Prioritisng assistance to children, the elderly, women, differently-abled individuals and impoverished communities

Principle 5: Businesses should respect and promote Human Rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of Employees/ Workers covered (B)	% (B/A)	Total (C)	No. of Employees/ Workers covered (D)	% (D/C)
Employees						
Permanent	363	363	100.00%	290	290	100.00%
Other than permanent	38	38	100.00%	106	106	100.00%
Total Employees	**401**	**401**	**100.00%**	**396**	**396**	**100.00%**
Workers						
Permanent	47	47	100.00%	48	48	100.00%
Other than permanent	315	315	100.00%	249	249	100.00%
Total Workers	**362**	**362**	**100.00%**	**297**	**297**	**100.00%**

2. **Details of minimum wages paid to employees and workers in the following format:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum wage		More than Minimum wage		Total (D)	Equal to Minimum wage		More than Minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	279	40	14.34%	239	85.66%	215	17	7.91%	198	92.09%
Female	84	3	3.57%	81	96.43%	75	12	16.00%	63	84.00%
Other than permanent										
Male	33	33	100.00%	0	0.00%	83	10	12.05%	73	87.95%
Female	5.	5	100.00%	0	0.00%	23	12	52.17%	11	47.83%
Workers										
Permanent										
Male	47	0	0.00%	47	100.00%	48	0	0.00%	48	100.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other than permanent										
Male	305	305	100.00%	0	0.00%	239	239	100.00%	0	0.00%
Female	10	10	100.00%	0	0.00%	10	10	100.00%	0	0.00%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages: (in million)

	Male		Female	
	Number	Median remuneration/ salary/wages of the respective category	Number	Median remuneration/ salary/wages of the respective category
Board of Directors (BoD)	5	1.31	3	0.78
Key Managerial Personnel	3	15.63	0	0.00
Employees other than BoD and KMP	309	0.50	89	0.61
Workers	47	1.03	0	0.00
Contractual Workers	305	0.25	10	0.28

Notes:

1. The Commission payable to Board members as of March 31, 2026, has been considered to determine the median remuneration of BoD. Sitting fees paid to Independent Directors have not been considered
2. For the purpose of the above disclosure, the remuneration (excluding Commission) of Mr. Mukund Kabra (Whole-Time Director & KMP) has been considered to determine the median remuneration for KMPs
3. The median remuneration calculated for KMPs excludes the Commission/Annual Incentives, Leave encashment, gratuity and ESOP (as may be/wherever applicable)

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	14.22%	16.77%

4. Do you have a focal point (individual/committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Human Resources Department, Board and Senior Management hold responsibility for addressing human rights issues at AETL. The Company's human rights policy extends its applicability to all relevant stakeholders.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

The core principle at the Company is that any stakeholder should be able to raise their grievances and should be able to report any breach or perceived violation, with complete confidence and trust, confidentially and anonymously and without fear of retaliation. They should be able to report any breach of policies and procedures in the Company. The grievance can be reported in the following manner, a) General Human Right Grievances – To be addressed to Human Resource Department, Immediate supervisor, team lead of the department, with adequate arrangement for escalation, b) Any Sexual Harassment related incidents should be reported to Prevention of Sexual Harassment Committee (i.e. Internal Complaints Committee), Head - Human Resources / the Board.

6. Number of complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	NIL			NIL		
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other human rights-related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26	FY 2024-25
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees/workers		
Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

AETL is committed to maintaining a safe and secure workplace, free from violence, harassment, intimidation, or any other unsafe or disruptive conditions stemming from internal or external threats. Responsibility for preventing negative repercussions for those reporting discrimination or harassment is shared by the Head of Human Resources, departmental team leads/managers, Management and the Board, supported by appropriate escalation procedures. This dedication extends to interactions with third-parties during business operations. Furthermore, employees are encouraged to express their opinions openly.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the human rights requirements is covered in detail in AETL Code of Conduct. The 'AETL Code of Conduct and Ethics' is available at: www.advancedenzymes.com/investors/corporate-governance/#codes-and-policies

10. Assessments for the year:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child Labour	100% (Assessed during various audits)
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not Applicable

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Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.**

   Despite no grievances or complaints regarding human rights issues, AETL remains proactive in implementing measures to uphold and protect the rights of all employees and workers. The Company's human rights policy is publicly accessible. It encompasses several essential principles, including the prohibition of child labour and forced labour, the promotion of a harassment-free workplace, ensuring non-discrimination through equal opportunity practices, fostering diversity and freedom of association, providing compensation above legal requirements and adhering to standard working hours as mandated by relevant laws.

2. **Details of the scope and coverage of any human rights due-diligence conducted:**

   Not Applicable

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes, AETL ensures that the accessibility needs of visitors are accommodated at its offices or premises. In accordance with the Rights of Persons with Disabilities Act, 2016, the Company's plants and offices are designed to be accessible to individuals with different abilities.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil, the Company holds its value chain partners to the same high standards of corporate values, ethical principles, and human rights that it adheres to in all of its business operations. Although no specific evaluation regarding value chain partners has been conducted, this is an ongoing commitment.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – Please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in joules or multiples) and energy intensity in the following format:**

Parameter	FY 2025-26	FY 2024-25
From renewable sources (in GJ)		
Total electricity consumption (A)	1,471	1,163
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**1,471**	**1,163**
From non-renewable sources (in GJ)		
Total electricity consumption (D)	44,355	35,637
Total fuel consumption (E)	1,89,226	1,46,437
Coal	1,62,610	1,28,970
Furnace oil & LDO	25,366	15,960
Diesel	1,250	1,507
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**2,33,581**	**1,82,074**
Total energy consumed (A+B+C+D+E+F)	**2,35,052**	**1,83,238**
Energy intensity per rupee of turnover (Total energy consumption/Revenue from operations)	$5.19 * 10^{-5}$ GJ/₹	$5.21 * 10^{-5}$ GJ/₹
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	$1.06 * 10^{-3}$ GJ/$	$1.08 * 10^{-3}$ GJ/$
Energy intensity in terms of physical output	$4.12 * 10^{-2}$ GJ/kg	$4.02 * 10^{-2}$ GJ/kg
Energy intensity (optional) **– the relevant metric may be selected by the entity**	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.:

No independent assessment was carried out by any external agency.

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:**

   No

3. **Provide details of the following disclosures related to water in the following format:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	NIL	NIL
(iii) Third-party water - Municipal Corporation	157,686	136,844
(iv) Seawater/desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**157,686**	**136,844**
Total volume of water consumption (in kilolitres)	**157,686**	**136,844**
Water intensity per rupee of turnover (water consumed/turnover)	$3.48 * 10^{-5}$ Kilo litres/₹	$3.89 * 10^{-5}$ Kilo litres/₹
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	$7.08 * 10^{-4}$ Kilo litres/$	$8.05 * 10^{-4}$ Kilo litres/$
Water intensity in terms of physical output	$2.76 * 10^{-2}$ Kilo litres/kg	$3.00 * 10^{-2}$ Kilo litres/kg
Water intensity (optional) – the entity may select the relevant metric	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.:

No independent assessment was carried out by any external agency.

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4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
No treatment	NIL	NIL
With treatment – please specify level of treatment	NIL	NIL
(ii) To groundwater		
No treatment - Potable water use for Gardening	5,614	6,480
With treatment – (Toilet wash water - passed through brick-bite Soak Pits)	10,500	6,950
(iii) To seawater		
No treatment	NIL	NIL
With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties		
No treatment	NIL	NIL
With treatment – please specify level of treatment	NIL	NIL
(v) Others		
No treatment	NIL	NIL
With treatment – The effluent is treated in an ETP to achieve a pH level of 7, and the treated water shall be reused for gardening.	0.55	NIL
Total water discharged (in kilolitres)	16,115	13,430

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.: No

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

Yes, AETL has implemented a mechanism for Zero Liquid Discharge (ZLD), featuring a three-stage forced feed evaporation plant. This sytem efficiently treats both process effluent and equipment wash water, generating steam that is condensed to create recycled water suitable for various utilities like boilers, water-cooled compressors, and cooling towers.

After the evaporation process, resulting slurry and sludge undergo further treatment by drying them in a cage mill. This step yields a non-hazardous powder used as a raw material for non-pharmaceutical application products, ensuring minimal waste generation.

This ZLD system, operational since 2003, highlights its longstanding effectiveness and reliability. It comprises key components, such as an Effluent Treatment Plant (ETP), Mechanical Vapor Recompression Evaporator (MEE), and a dryer. Together, these components form a closed-loop system that efficiently manages liquid waste, while minimising environmental impact.

6. **Please provide details of air emissions (other than GHG emissions) by the entity in the following format:**

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Mg/Nm3	35.44	28.28
SOx	Mg/Nm3	20.95	24.22
Particulate matter (PM)	Mg/Nm3	95.09	88.46
Persistent organic pollutants (POP)	Mg/Nm3	0.57	2.98
Volatile organic compounds (VOC)	Mg/Nm3	0.79	1.23
Hazardous air pollutants (HAP)	Mg/Nm3	49.02	39.86
Others – please specify	Mg/Nm3	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.:

Yes

- Ashwamedh Engineers & Consultants- Laboratory services division, Nashik
- Azis Labs, Pithampur, Madhya Pradesh

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	25,988	20,232
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	8,974	7,210
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	$7.72 * 10^{-6}$ MT/ ₹	$7.81 * 10^{-6}$ MT/₹
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent	$1.57 * 10^{-4}$ MT/$	$1.61 * 10^{-4}$ MT/$
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 equivalent	$6.13 * 10^{-3}$ MT/kg	$6.03 * 10^{-3}$ MT/kg
Total Scope 1 and Scope 2 emission intensity (optional) – the entity may select the relevant metric	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.:

Pristine International, Pithampur, Madhya Pradesh for Pithampur Plant

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details:**

Yes, AETL has undertaken several projects to reduce greenhouse gas emissions as part of its commitment to environmental sustainability. Some of these initiatives include:

- **Solar Power Installations:** Installed a 510 KW solar plant system, reducing reliance on fossil fuels for electricity
- **Steam Condensate Recovery:** Implemented steam condensate recovery systems, to recycle hot water to feed boilers, thereby reducing the need for additional energy input and minimising greenhouse gas emissions associated with boiler operations
- **Energy Efficient Systems:** Invested in energy-efficient air conditioning systems that utilise CFC-free refrigerant gas, reducing both energy consumption and the release of ozone-depleting substances into the atmosphere
- **Cold Insulation:** Implemented cold insulation for the ducts of the Air Handling Unit (AHU) system in the Spray Dryer Plant to prevent heat gain, control condensation, improve energy efficiency, and reduce noise
- **LED Lighting:** Deployed LED lamps throughout the plant to reduce electricity consumption compared to traditional lighting systems, consequently lowering greenhouse gas emissions associated with electricity generation
- **Efficient Motor Operation:** Installed energy efficient and variable-frequency drive (VFD)-grade motors for fermenter agitation, optimising energy usage and decreasing greenhouse gas emissions resulting from motor operation
- **Preventive Maintenance:** Incorporated preventive maintenance plans for critical and utility equipment (i.e. Diesel Generator set, Electrical Substation and Power Distribution network, Blowers, Insulation, etc.) ensures efficient performance, reducing energy consumption and greenhouse gas emissions associated with equipment operation

These projects collectively contribute to AETL's efforts to reduce greenhouse gas emissions and mitigate its environmental impact.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
Total waste generated (in metric tonnes)		
Plastic waste (A)	8.25	5.73
E-waste (B)	1.81	1.22
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL

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Parameter	FY 2025-26	FY 2024-25
Battery waste (E)	0.49	0.43
Radioactive waste (F)	NIL	NIL
Other hazardous waste (G) Spent Oil Processed Liquid Semi-solid waste	 0.73 232.38 -	 0.41 - 268.40
Other non-hazardous waste generated (H) Corrugated Box & Packaging waste Cotton waste MS Scrap Semi-solid waste	 31.06 0.41 12.99 105.00	 22.54 0.27 14.01 88.00
Total (A+B + C + D + E + F + G + H)	**393.11**	**401.01**
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	$8.68 * 10^{-8}$ MT/₹	$1.14 * 10^{-7}$ MT/₹
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	$1.77 * 10^{-6}$ MT/$	$2.36 * 10^{-6}$ MT/$
Waste intensity in terms of physical output	$6.89 * 10^{-5}$ MT/kg	$8.81 * 10^{-5}$ MT/kg
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	337.38	356.41
(iii) Other recovery operations	NIL	NIL
Total	337.38	356.41
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations - By sale to authorized scrap dealers	55.73	44.60
Total	55.73	44.60

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.:

No

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:**

AETL ensures waste management in its operations by ensuring the following:

- Safety and Chemical Usage: Prioritises safe handling and minimizes the usage of hazardous chemicals in products and processes. Implements best practices for managing the resulting waste
- Environmental Compliance: Adheres strictly to all relevant environmental regulations to ensure responsible operations
- Resource Optimisation: Optimises resource utilisation across all plants and laboratories to minimise waste and maximise efficiency
- Energy Efficiency: Commits to improving energy efficiency through innovative techniques and ideas to reduce waste and optimise consumption

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NIL			

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year**

Name and brief details of Project	EIA Notification No.	Date	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant weblink
NA					

13. **Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, AETL adheres to all applicable environmental laws, regulations and guidelines in India.

S. No.	Specify the law/regulation/guidelines which were not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as Pollution Control Boards or by courts	Corrective action taken, if any
NA				

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Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

Not applicable, we are established away from water stress locations.

For each facility / plant located in areas of water stress, provide the following information: NA

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater		
(iii) Third-party water		
(iv) Seawater/desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (water consumed/turnover)		
Water intensity (optional) – the entity may select the relevant metric		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water	NA	NA
No treatment		
With treatment – please specify the level of treatment		
(ii) Into groundwater		
No treatment		
With treatment – please specify the level of treatment		
(iii) Into seawater		
No treatment		
With treatment – please specify the level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify the level of treatment		
(v) Others		
No treatment		
With treatment – please specify the level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/evaluation/assurance carried out by an external agency? (Y/N) If yes, the name of the external agency.: NA

2. **Please provide details of total Scope 3 emissions & their intensity in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	Not Applicable	Not Applicable
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the entity may select the relevant metric			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

Not Applicable

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:**

Not Applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (web-link, if any, may be provided alongwith summary)	Outcome of the initiative
1.	Hot insulation of steam and utility systems	Installed hot insulation on steam and utility systems to minimise heat loss	Resulted in a reduction of steam consumption by 85 kg/hr
2.	Chilled water generation system heat recovery improvement	Implemented enhancements in the chilled water generation system to recover heat, reducing the steam requirement	Resulted in a reduction of 25 kg/hr in steam consumption
3.	Electrical current utilisation of blowers	Incorporated measures to optimise the electrical current utilisation of blowers	Reduced electrical current usage by 2-15 Amp/hr
4.	Preventive maintenance of all critical and utility equipment	Incorporated a preventive maintenance plan for critical and utility equipment	Enhanced energy efficiency and reduction in consumption of power and fuel
5.	Efficient performance of electrical equipment / Installation of Capacitor Bank / Installation of Variable Frequency Drive	Implemented measures to ensure the efficient performance of electrical equipment	Power factor of 0.999 was maintained which further resulted in efficient performance of Electrical equipment
6.	Power bill incentive and other rebates	Received power bill incentives and rebates from MSEDCL	Received total incentives and rebates amounted to 3.5 million
7.	Generator set KWH to fuel ratio improvement	Achieved a generator set KWH to fuel ratio of around 4%	Due to preventive maintenance improved fuel efficiency, reducing fuel consumption and emissions
8.	Cold insulation of spray dryer plant	Installed cold insulation for the ducts of Air Handling (AHU) system to minimise heat transfer into cold air ducts	Improved energy efficiency- 220-240 KWH /Month, prevent heat gain, control condensation and noise reduction

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/weblink:**

Yes, AETL has a comprehensive business continuity plan in place which encompasses the following:

- **Multi-Location Production Facilities:** AETL operates production facilities located in Sinnar, Pithampur, Vasind, and subsidiary plants
- **Backup Locations:** In the event of a disaster or cyberattack, work can commence from alternative sites like the New Thane Research Centre, Wagle Research Centre, and Thane Corporate Office
- **Regular Data Backups:** The Company follows a policy of regularly backing up systems to ensure swift restoration of data with minimal loss

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?** NA

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.** NIL

8. **How many Green Credits have been generated or procured:**

a. By the listed entity: NA

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: NA

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Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/associations.**

The Company is affiliated with the following 8 chambers/associations (refer point (b) below).

b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1.	Confederation of Indian Industry	National
2.	Health Foods and Dietary Supplements Association	National
3.	The Council of EU Chambers of Commerce	International
4.	Bombay Chamber of Commerce and Industry	National
5.	Pharmaceuticals Export Promotion Council of India	National
6.	Confederation of Indian Food Trade and Industry (CIFTI)	National
7.	Confederation of Indian Food Regulatory Cell	National
8.	Pithampur Audyogik Sangathan	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:**

Name of authority	Brief of the case	Corrective action taken
NA		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by Board (Annually/Half yearly/Quarterly/ Others – please specify)	Weblink, if available
Not Applicable, AETL stands firm in its commitment to support the growth of the supplement and nutrition industry, while persistently striving to enhance the health and well-being of people worldwide.					

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of the project	SIA Notification No.	Date of Notification	Whether conducted by an Independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant weblink
NIL					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of the project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
NIL						

3. **Describe the mechanisms to receive and redress grievances of the community:**

AETL acknowledges the crucial importance of establishing an effective system to address community concerns. In pursuit of this objective, the Company has developed a well-defined process to promptly handle inquiries, grievances, comments, and suggestions from its external stakeholders, particularly members of the local community. Upon receiving any communication, the Company swiftly assign it to the relevant personnel within its organization to guarantee immediate and appropriate action. Additionally, AETL maintains a designated 'point of contact' available through various communication channels to streamline interactions. This structured approach empowers both its internal and external stakeholders, including the communities it serves, to utilise its reporting platform effectively. Through this platform, the Company addresses a wide array of issues, including ethics, fraud, financial matters, and human resources concerns, promptly underscoring AETL's indomitable commitment to community engagement and responsiveness.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	19%	18%
Directly from within India	71%	72%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost**

Location	FY 2025-26	FY 2024-25
Rural	-	-
Semi-urban	45.13%	44.51%
Urban	13.54%	12.55%
Metropolitian	41.34%	42.94%

(Categorised as rural, semi-urban, urban, or metropolitan based on the RBI Classification System)

BRSR (CONTD.)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)**

Details of negative social impact identified	Corrective action taken
NA	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies**

S. No.	State	Aspirational district	Amount spent (in ₹)
NIL			

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

   No, the Company does not have a preferential procurement policy for suppliers from marginalised/vulnerable groups.

   (b) **From which marginalised/vulnerable groups do you procure?** NA

   (c) **What percentage of total procurement (by value) does it constitute?** NA

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

S. No.	Intellectual property based on traditional knowledge	Owned/acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
NA				

5. **Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the case	Corrective action taken
NA		

6. **Details of beneficiaries of CSR Projects**

S. No.	CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1.	Promotion of healthcare and education through preventive healthcare initiatives, medical assistance for Thalassemia and Cancer patients, installation of water purification systems in government hospitals, educational support for higher studies, development of digital classroom infrastructure, promotion of literacy and skill development programs and support towards the construction of the basement floor of multi-speciality hospital for providing healthcare services to underprivileged and needy sections of society.	~1861	90%+

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback:**

   AETL has established a structured mechanism to promptly address any customer complaints or feedback regarding its products and services. Customers are provided with multiple contact options, and the Company's representatives maintain regular communication to ensure swift resolution of any issues. Resolving customer feedback promptly and carefully is essential to prevent future dissatisfaction and enhance overall customer satisfaction.

2. **Turnover of products and/services as a percentage of turnover from all products/services that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	
Recycling and/or safe disposal	NA

3. **Number of consumer complaints in respect of the following:**

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at the end of the year		Received during the year	Pending resolution at the end of the year	
Data privacy	NIL					
Advertising						
Cybersecurity						
Delivery of essential services						
Restrictive trade practices						
Unfair trade practices						
Other						

4. **Details of instances of product recalls on account of safety issues**

	Number	Reasons for recall
Voluntary recalls	1	To check the transport worthiness trials
Forced recalls	0	NA

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink to the policy.**

   Yes, AETL has implemented a system to identify potential cybersecurity risks. Considering the growing importance of data privacy, the Company has adopted a comprehensive and coordinated approach to information security and data privacy systems. The policy primarily concerns internal users and verified external entities, is selectively shared with relevant entities, and is not publicly available.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services:**

   NA

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches** - NIL

   b. **Percentage of data breaches involving personally identifiable information of customers** – Not Applicable

   c. **Impact, if any, of the data breaches** – Not Applicable

BRSR (CONTD.)

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide weblink, if available).**

   www.advancedenzymes.com

   www.wellfa.com and

   other leading platforms in the market

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company's products include information on safe and responsible usage to educate customers accordingly

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

   The Company maintains continuous communication with its customers to address any potential issues that may impact customer relationships and business operations proactively. if there are any delays in customer delivery due to factors within or beyond the Company's control, such as transportation disruptions or local disturbances, it promptly notifies its customers to prevent misunderstandings. Furthermore, AETL aims to minimize the occurrence of such incidents through diligent efforts.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   No, the Company adheres to the applicable laws and regulations regarding displaying the product label and related information.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Advanced Enzyme Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Advanced Enzyme Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in

our audit of the standalone financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	Refer to Note 6(a) on Revenue Recognition under Material Accounting Policies and Note 28 on Revenue from Contracts with Customers in the standalone financial statements. Revenue is a key driver of the Company's profitability and is therefore susceptible to misstatement. Revenue is recognised when control of the products being sold is transferred to the customer, and accordingly, the timing of revenue recognition has a direct impact on the Company's reported performance. We have identified revenue recognition as a key audit matter due to the presumed risk of fraud, particularly in relation to the overstatement of revenue at the reporting date. This may arise from the recognition of revenue for transactions where control of the goods has not been transferred to customers as at year-end, including instances where the timing of transfer of control may have been inappropriately altered.	Our audit procedures in respect of this area included: 1. Obtained an understanding of the management's process and controls around revenue recognition. 2. Evaluated and tested the design and operating effectiveness of controls addressing this risk. 3. Verified, on a sample test-check basis, revenue transactions recorded during the year and around the reporting date and assessed whether revenue has been recognised in accordance with Ind AS 115 by performing the following procedures: • Reviewed underlying customer contracts, purchase orders and sales arrangements to identify performance obligations and assess the basis of revenue recognition; • Examined supporting documents such as invoices, delivery challans and lorry receipts, where applicable, to determine whether control of goods had passed to the customers at the time revenue was recognised; • Tested journal entries and manual adjustments relating to revenue, with particular focus on year-end entries, to identify any unusual or potentially inappropriate revenue recognition. 4. Performed substantive cut-off testing for revenue transactions recognised immediately before and after the year-end, including review of supporting dispatch and delivery documentation to evaluate whether revenue had been recorded in the appropriate accounting period.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
		5. Performed Analytical procedures on revenue recognized during the year to identify and inquire on unusual variances, if any and getting the reasons for variances confirmed from the management. 6. Assessed the valuation and accuracy of trade receivables and sales returns/discount provisions, where applicable, by examining underlying supporting documentation and subsequent adjustments. 7. Assessed the adequacy and appropriateness of the disclosures made in the financial statements in respect of revenue recognition in accordance with Ind AS 115 and the applicable financial reporting framework.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors of the Company are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 51 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv. a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 55 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 55 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. a. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

b. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

c. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 49 to the Standalone financial statements).

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information, explanations given to us , the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 of the Act.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 26101739MZCWWW6112
Place: Mumbai
Date: May 09, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S

REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADVANCED ENZYME TECHNOLOGIES LIMITED

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2026 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 26101739MZCWWW6112
Place: Mumbai
Date: May 09, 2026

ANNEXURE B TO INDEPENDENT AUDITORS'

REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADVANCED ENZYME TECHNOLOGIES LIMITED FOR THE YEAR ENDED MARCH 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

B The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores rupees, in aggregate from Banks and financial institutions, on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of accounts of the Company.

iii. (a) During the year, the Company has made investment in a company. According to the information and explanations provided to us, the Company has not provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions stated under clause 3(iii)(c) to (f) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made are not prejudicial to the interest of the Company.

iv. According to the information and explanations given to us, there are no loans, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable. However, the company has complied with the provisions of Section 186 of the Companies Act, 2013, in respect of investments made.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, dues relating to income tax and excise duty which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded Rs.	Amount Paid Rs.	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	24.37	20.89	AY 2012-13	Commissioner Appeals
Income Tax Act, 1961	Income Tax	0.18	-	AY 2013-14	Commissioner Appeals
Income Tax Act, 1961	Income Tax	46.13	9.23	AY 2017-18	Commissioner Appeals
Income Tax Act, 1961	Income Tax	38.63	7.78	AY 2018-19	Commissioner Appeals
Income Tax Act, 1961	Income Tax	1.18	0.24	AY 2019-20	Commissioner Appeals
Income Tax Act, 1961	Income Tax	49.77	-	AY 2020-21	Commissioner Appeals
Income Tax Act, 1961	Income Tax	0.85	-	AY 2021-22	Commissioner Appeals
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty,Interest and Penalty	2.84	2.50	April 2012 to January 2015	Additional Commissioner of Central Excise, Customs and Service Tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty	4.19	-	July 2010 to January 2015	Additional Commissioner of Central Excise, Customs and Service Tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty,Interest and Penalty	2.79	2.79	July 2011 to January 2015	Commissioner of Central Excise, Customs and Service Tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty,Interest and Penalty	0.53	0.53	March 2015 to October 2015	Customs, Excise and Service Tax Appellate Tribunal, West Zone
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty	0.60	-	March 2015 to December 2015	Commissioner of Central Excise, Customs and Service Tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty	2.11	-	Jan 2016 to June 2017	Commissioner of Central Excise, Customs and Service Tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty	0.64	0.13	Dec 2015 to January 2017	Customs, Excise and Service Tax Appellate Tribunal, West Zone

There are no other dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the requirement to report under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us, there are no funds raised during the year. Accordingly, the requirement to report under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one Core Investment Company as a part of its group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 50 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in note 47 to the standalone financial statements.

(b) In respect of ongoing projects, the Company has transferred unspent amount to a special account within a period of thirty days from the end of the financial year in compliance with Section 135(6) of the Companies Act, 2013 as explained in Note 47 to the standalone financial statements.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/ W101187

Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 26101739MZCWWW6112
Place: Mumbai
Date: May 09, 2026

ANNEXURE C TO THE INDEPENDENT AUDITOR'S

REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADVANCED ENZYME TECHNOLOGIES LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Advanced Enzyme Technologies Limited on the Standalone Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Advanced Enzyme Technologies Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 26101739MZCWWW6112
Place: Mumbai
Date: May 09, 2026

STANDALONE BALANCE SHEET

AS AT 31 MARCH, 26

(₹ in million)

Particulars	Note	As at 31 March 26	As at 31 March 25
I. ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	7	1,454.65	1,508.82
(b) Capital work-in-progress	7A	486.89	207.35
(c) Other intangible assets	8	51.24	56.18
(d) Intangible assets under development	8A	0.00	0.17
(e) Financial assets			
(i) Investments			-
- investment in subsidiaries	9	2,542.81	2,536.50
- other investment	9	0.62	0.62
(ii) Loans	10	0.96	0.65
(iii) Other financial assets	11	45.01	79.26
(f) Income tax asset (net)		165.86	160.00
(g) Other non-current assets	12	128.53	14.77
Total non-current assets		**4,876.57**	**4,564.32**
2) Current assets			
(a) Inventories	13	1,165.16	1,014.50
(b) Financial assets			
(i) Investment	14	910.58	366.52
(ii) Trade receivables	15	943.23	781.69
(iii) Cash and cash equivalents	16	18.94	56.04
(iv) Bank balances other than (iii) above	16A	4.51	2.28
(v) Loans	17	1.47	0.26
(vi) Other financial assets	18	62.15	48.81
(c) Other current assets	19	53.75	51.89
Total current assets		**3,159.79**	**2,321.99**
Total assets		**8,036.36**	**6,886.31**
II. EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	20	223.85	223.76
(b) Other equity	21	6,872.38	6,069.65
Equity attributable to equity holders		**7,096.23**	**6,293.41**
2) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	22	10.33	19.69
(b) Provisions	23	42.55	13.28
(c) Deferred tax liabilities (net)	24	108.83	118.00
Total non-current liabilities		**161.71**	**150.97**
3) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	22	9.17	7.95
(ii) Trade payables	25		
a) total outstanding dues of micro enterprises and small enterprises		47.23	33.30
b) total outstanding dues other than micro enterprises and small enterprises		464.67	216.27
(iii) Other financial liabilities	26	161.92	112.08
(b) Other current liabilities	27	54.84	39.13
(c) Provisions	23	37.67	30.28
(d) Current tax liabilities (net)		2.92	2.92
Total current liabilities		**778.42**	**441.93**
Total equity and liabilities		**8,036.36**	**6,886.31**

Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00

The accompanying notes are an integral part of these standalone financial statements 1 - 56

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

Amrish Vaidya
Partner
Membership No: 101739

Place: Thane
Date: 9 May 26

For and on behalf of the Board of
Advanced Enzyme Technologies Limited

Mukund Kabra
Wholetime Director
DIN : 00148294
Place: California, USA

Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik

Sanjay Basantani
Company Secretary
Membership No: A19637
Place: Thane
Date: 9 May 26

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 26

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 26

(₹ in million)

Particulars	Note	For the year ended 31 March 26	For the year ended 31 March 25
Income			
Revenue from operations	28	4,527.66	3,514.11
Other income	29	633.88	614.90
Total income		**5,161.54**	**4,129.01**
Expenses			
Cost of materials consumed	30	1,877.21	1,488.00
Changes in inventories of finished goods and work-in-progress	31	(30.82)	(64.67)
Employee benefits expense	32	647.28	560.35
Finance costs	33	2.07	2.36
Depreciation and amortisation expense	34	120.83	114.05
Other expenses	35	929.65	823.64
Total expenses		**3,546.22**	**2,923.73**
Profit before tax before exceptional items		**1,615.32**	**1,205.28**
Exceptional items	50	**38.58**	**-**
Profit before tax		**1,576.74**	**1,205.28**
Tax expense	36		
Current tax		270.69	168.86
Deferred tax charge/(credit)		(12.01)	12.22
Total tax expense		**258.68**	**181.08**
Profit for the year		**1,318.06**	**1,024.20**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit (charge)/credit		11.27	(4.60)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(2.84)	1.16
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		8.43	**(3.44)**
Total comprehensive income for the year		**1,326.49**	**1,020.76**
Earnings per equity share (face value Rs 2 each fully paid up)	40		
Basic		11.78	9.16
Diluted		11.76	9.15

The accompanying notes are an integral part of these standalone financial statements 1 - 56

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

Amrish Vaidya
Partner
Membership No: 101739

Place: Thane
Date: 9 May 26

For and on behalf of the Board of
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Mukund Kabra
Wholetime Director
DIN : 00148294
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Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik

Sanjay Basantani
Company Secretary
Membership No: A19637
Place: Thane
Date: 9 May 26

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 26

Statement of Changes in Equity (SOCIE)

FOR THE YEAR ENDED 31 MARCH 26
(₹ in million)

(a) Equity share capital (refer note 20)	As at 31 March 26		As at 31 March 25	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	111,881,150	223.76	111,824,075	223.65
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	111,881,150	223.76	111,824,075	223.65
Changes in equity share capital during the year	45,650	0.09	57,075	0.11
Balance at the end of the year	**111,926,800**	**223.85**	**111,881,150**	**223.76**

(b) Other equity (refer note 21)

Particulars	Reserves and Surplus						Total Equity
	Share application money pending allotment (Refer note 53)	Securities Premium	Capital Reserve	General reserve	Employee stock option reserve	Retained earnings	
Balance at 1 April 24	-	819.13	3.00	32.53	30.31	4,696.09	5,581.06
Profit for the year	-	-	-	-	-	1,024.20	1,024.20
Other comprehensive income for the year	-	-	-	-	-	(3.44)	(3.44)
Total comprehensive income for the year	-	-	-	-	-	1,020.76	1,020.76
Add : Options granted during the year	-	-	-	-	36.80	-	36.80
Less: Options lapsed during the year	-	-	-	-	(2.34)	-	(2.34)
Add / (Less): Exercise of Share options	-	18.91	-	-	(15.24)	-	3.67
Less: Dividend	-	-	-	-	-	(570.30)	(570.30)
Add: Share application money received	3.78	-	-	-	-	-	3.78
Less: Monies utilised for issue of shares	(3.78)						(3.78)
Balance as at 31 March 25	-	838.04	3.00	32.53	49.53	5,146.55	6,069.65
Profit for the year	-	-	-	-	-	1,318.06	1,318.06
Other comprehensive income for the year	-	-	-	-	-	8.43	8.43
Total comprehensive income for the year	-	-	-	-	-	1,326.49	1,326.49
Add: Options granted during the year	-	-	-	-	55.92	-	55.92
Less: Options lapsed during the year	-	-	-	-	(7.29)	-	(7.29)
Add / (Less): Exercise of Share options	-	15.96	-	-	(8.88)	-	7.08
Less: Dividend	-	-	-	-	-	(581.78)	(581.78)
Add: Share application money received	9.53	-	-	-	-	-	9.53
Less: Share application money utilised for issue of shares	(7.22)	-	-	-	-	-	(7.22)
Balance as at 31 March 26	2.31	854.00	3.00	32.53	89.28	5,891.26	6,872.38

The accompanying notes are an integral part of these standalone financial statements 1 - 56

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

Amrish Vaidya
Partner
Membership No: 101739

Place: Thane
Date: 9 May 26

For and on behalf of the Board of
Advanced Enzyme Technologies Limited

Mukund Kabra
Wholetime Director
DIN : 00148294
Place: California, USA

Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik

Sanjay Basantani
Company Secretary
Membership No: A19637
Place: Thane
Date: 9 May 26

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 26

Standalone Cashflow Statement

For the year ended 31 March 26
(₹ in million)

		Year ended 31 March 26	Year ended 31 March 25
A.	**Cash flows from operating activities**		
	Profit before tax	**1,576.74**	1,205.28
		1,576.74	1,205.28
	Adjustments for non-cash transactions		
	Depreciation and amortization expense	120.83	114.04
	Property, plant and equipment written off	3.63	-
	(Profit) / Loss on sale of property, plant and equipment	0.31	(0.59)
	Bad debts written off	1.75	4.91
	Provision for doubtful trade receivables provided	(9.09)	6.27
	Employee stock compensation expense	42.78	30.41
	Excess provision written back	-	(1.98)
	Sundry balances written off/ (back) (net)	0.02	(0.01)
	Unrealized foreign exchange (gain)/loss	(4.17)	(0.84)
	Fair value adjustment on investments	(38.43)	(19.20)
		1,694.37	1,338.29
	Items considered separately		
	Interest income	(14.70)	(11.26)
	Interest expenses	2.07	2.36
	Dividend income	(562.91)	(561.06)
	Operating profit before working capital changes	**1,118.83**	**768.33**
	Adjustments for working capital changes.		
	(Increase) / Decrease in Non-current loans	-	-
	(Increase) / Decrease in Other non-current financial assets	(1.27)	(1.27)
	(Increase) / Decrease in Other non-current assets	1.55	(0.33)
	(Increase) / Decrease in Inventories	(150.66)	(45.66)
	(Increase) / Decrease in Trade receivables	(148.43)	(40.62)
	(Increase) / Decrease in Current loans	(1.21)	0.16
	(Increase) / Decrease in Other current financial assets	(10.32)	120.83
	(Increase) / Decrease in Other current assets	(1.87)	9.75
	(Decrease) / Increase in Provisions	47.95	6.95
	(Decrease) / Increase in Trade payables	260.70	34.63
	(Decrease) / Increase in Other current financial liabilities	32.94	(11.26)
	(Decrease) / Increase in Other current liabilities	15.70	8.73
	Cash generated from operating activities	**1,163.90**	**850.24**
	Income taxes paid (net)	(276.60)	(215.45)
	Net cash generated from operating activities	**887.31**	**634.79**
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(442.45)	(223.37)
	Proceeds from sale of property, plant and equipment	0.44	1.21
	Purchase of intangible assets	(1.47)	(0.83)
	Purchase of non-current investments in subsidiaries	(0.50)	(478.18)
	Proceeds / (Purchase) from sale of current investments (net)	(505.62)	160.71
	Interest received	11.37	13.93
	Dividend received	562.91	561.06
	(Increase) / Decrease in bank deposits with maturity more than 3 months but less than 12 months	(2.15)	3.63
	(Increase) / Decrease in bank deposits with maturity of more than 12 months #	35.53	(55.54)
	Net cash (used in) investing activities	**(341.94)**	**(17.38)**

Standalone Cashflow Statement (Contd.)

For the year ended 31 March 26
(₹ in million)

		Year ended 31 March 26	Year ended 31 March 25
C.	**Cash flows from financing activities**		
	Proceeds from issue of share capital including securities premium	9.53	3.78
	Repayment of short-term borrowings (net)	0.00	(0.00)
	Interest paid	(0.00)	(0.02)
	Payment of Lease liabilities	(10.22)	(9.78)
	Dividends paid	(581.78)	(570.30)
	Net cash (used in) financing activities	**(582.47)**	**(576.32)**
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(37.10)**	**41.09**
	Cash and cash equivalents as at the beginning of the year	56.04	14.95
	Cash and cash equivalents as at the end of the year*	**18.94**	**56.04**
	*** Composition of cash and cash equivalents (refer note 16)**		
	Cash in hand including cheques on hand	2.90	0.40
	Balance with banks :		
	Current account	12.75	52.48
	Fixed deposit account (with maturity less than 3 months)	3.29	3.16
		18.94	**56.04**
	# Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00		

Reconciliation between the opening and closing balances in the standalone balance sheet for liabilities arising from financing activities

Particulars	Notes	31 March 25	Cashflows	Non cash changes				31 March 26
				Acquisitions	Foreign exchange movement	Fair value change	Other adjustments	
Cash credit, packing credit, working capital demand loans and deferred sales tax liabilities	-	-	-	-	-	-	-	-
Total liabilities from financing		-	-	-	-	-	-	-

The accompanying notes are an integral part of these standalone financial statements 1 - 56

1) The cash flow statement has been prepared under indirect method as set out in Ind AS 7, 'Cash Flow Statement' as notified by the Central Government under the Companies Act, 2013.

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

For and on behalf of the Board of
Advanced Enzyme Technologies Limited

Amrish Vaidya
Partner
Membership No: 101739

Mukund Kabra
Wholetime Director
DIN : 00148294
Place: California, USA

Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik

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Company Secretary
Membership No: A19637
Place: Thane
Date: 9 May 26

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 26

Place: Thane
Date: 9 May 26

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

1 CORPORATE INFORMATION

Advanced Enzyme Technologies Limited ('the Company') (CIN: L24200MH1989PLC051018) is engaged in the business of manufacturing and sales of enzymes.

The Company is a public limited company and was incorporated on 15 March 1989 under the provisions of Companies Act, 1956 and is domiciled in India. The corporate office of the Company is situated at Sun Magnetica, A Wing, 5th floor, Near LIC Service Road, Louis Wadi, Thane (West) - 400 604.

The equity shares of the Company are listed on National Stock Exchange of India Limited (NSE) via id ADVENZYMES and on BSE Limited (BSE) via Id 540025.

The Board of Directors approved the standalone financial statements for the year ended 31 March 26 and authorised for issue on 9 May 26.

2 STATEMENT OF COMPLIANCE

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time

3 BASIS OF PREPARATION

These Standalone financial statements have been prepared on a historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained the operating cycle to be 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents

Functional and presentation currency:

These Standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest million, unless otherwise indicated.

Going concern:

These standalone financial statements are prepared on going concern basis.

4 USE OF ESTIMATES

The preparation of standalone financial statements in conformity with Ind AS requires the management to make use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying standalone financial statements and reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 26 are as follows:

a. Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. The management estimates the useful lives of tangible assets similar to the

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useful life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

b. Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

All assumptions are reviewed at each reporting date.

c. Provision for income tax and deferred tax assets

The Company uses judgements based on the relevant rulings in the areas of allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and unabsorbed depreciation can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

d. Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

e. Provision for expected credit losses (ECL) of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for Groupings of various customer segments that have similar loss patterns (i.e., by aging of receivables after considering letters of credit and other forms of security).

The provision matrix is initially based on the Company's historical observed default rates. At every reporting date, the historical observed default rates are updated. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

f. Measurement of fair values

The Company's material accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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(₹ in million)

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

g. Share-based payment transactions

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds). Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 43 & 43A.

h. Right-of-use assets and lease liability

The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised.

Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

5 CHANGES IN ACCOUNTING STANDARDS

a. Amendments in accounting standards but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 26, there are no such standards which are notified but not yet effective.

b. Amendments in accounting standards notified in current year

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 26, MCA has notified a new Accounting Standard Ind AS 117 on Insurance Contracts and amendments to existing standards such as Ind AS 12 on Income Taxes pertaining to Pillar-Two Tax Reforms, Ind AS 21 on The effects of changes in foreign exchange rates pertaining to lack of exchangeability, Ind AS 116 on Leases, Ind AS 107 on Financial Instruments - Disclosures pertaining to Supplier Finance Arrangements and Ind AS 1 on Classification of Liabilities as Current or Non-current however these are not applicable to the Company.

6 MATERIAL ACCOUNTING POLICIES:

The accounting policies set out below have been applied consistently to the periods presented in the financial statements.

a. Revenue and other income

Revenue recognition

i. Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. It is measured at transaction price (net of variable consideration on account of discounts and rebates offered by the Company as part of the contract) allocated to that performance obligation. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved. Revenue is accounted exclusive of Goods and Service Tax (GST).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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Sale of products:

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer, on delivery to the customer or as may be specified in the contract.

ii. Export incentives received pursuant to the Duty Drawback Scheme and Remission of Duties and Taxes on Exported Products (RoDTEP) are accounted on an accrual basis, to the extent it is probable that realization is certain.

Other income

i Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable.

ii Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

b. Property, plant and equipment and depreciation

Recognition and measurement

i. Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, non refundable duties and taxes, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving the purchase price. Interest on borrowings to finance acquisition of property, plant and equipment during qualifying period is capitalized.

ii. Leasehold improvements represent expenses incurred towards civil work and interior furnishings on the leased premises.

iii. An asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal of property, plant and equipment carried at cost are recognised in the Statement of Profit and Loss.

iv. Capital work-in-progress includes assets not ready for their intended use and related incidental expenses and attributable interest.

v. The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Subsequent expenditure

vi. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Useful life

vii. The Company has reviewed its policy for providing depreciation on its tangible assets and has also reassessed their useful lives as per Part C of Schedule II of the Act. The revised useful lives, as assessed by the management, match those specified in Part C of Schedule II of the Act, for all classes of tangible assets.

The estimated useful life of assets are as follows:

Particulars	*Estimated useful life*
Building including residential flats	30 - 60 years
Plant and equipment	10 - 25 years
Furniture and fixture	10 years
Vehicles	8 years
Office equipments	5 years
Computer and data processing equipment	3 - 6 years

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Depreciation

vii. Depreciation on tangible fixed assets other than plant and equipment and residential flat included under buildings has been provided on Written Down Value method and on plant and equipment and on residential flat included under buildings on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use.

viii. Leasehold improvements and leasehold land are amortized on Straight Line Method over the unexpired primary period of lease.

c. Intangible assets

i. Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.

ii. Costs relating to acquisition of technical know-how and software are capitalized as intangible assets. Further, the expenditure incurred towards product studies during the development of product dossiers are grouped under "Intangible assets under development" to the extent such expenditure meet the criteria of intangible asset.

iii. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

iv. An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

v. Any expected loss is recognized immediately in the Statement of Profit and Loss.

vi. Intangible assets that are ready for use are amortized on a straight line basis as follows:

Particulars	*Estimated useful life*
Computer software	4 years
Product dossiers	10 years

d. Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

e. Foreign currency transactions

i. Functional and presentation currency - Items included in these standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These standalone financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

ii. Initial recognition - Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Statement of Profit and Loss in the period in which they arise.

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iii. Subsequent measurement- Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in the Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

f. Share-based payments

Employees Stock Option Plans (“ESOPs”):

Equity-settled plans are accounted at fair value as at the grant date. The fair value of the share-based option is determined at the grant date using a market-based option valuation model (Black Scholes Option Valuation Model). The fair value of the option is recorded as compensation expense amortized over the vesting period of the options, with a corresponding increase in Reserves and Surplus under the head "Employee Stock Option Reserve". On exercise of the option, the proceeds are recorded as share capital.

The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the Statement of Profit and Loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

Employee stock options provided to the employees of subsidiary under a group plan is accounted as capital contribution to the subsidiary, if no payments for related costs from the subsidiary to the Company is agreed, and recorded as investments in the standalone financial statements.

g. Inventories

i. Inventories of raw materials, packing materials, consumables, finished goods and work-in-process are valued at lower of cost or net realizable value on an item-by-item basis.

ii. Cost of raw materials, consumables and packing materials is determined on weighted average basis. Cost of finished goods and stock-in-process is determined by considering materials, labour costs, conversion costs, including an appropriate share of fixed production overheads based on normal operating capacity and other related costs incurred in bringing the inventories to their present condition and location.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

h. Employee benefits

Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. The short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

i. **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company contributes to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services.

Superannuation benefits, a defined contribution plan, has been funded with Life Insurance Corporation of India and the contribution is charged to Statement of Profit and Loss, when the contribution to the Fund is due.

ii. **Defined benefit plans**

The Company provides for Gratuity benefit and Compensated Absences, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and compensated absences expected

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to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations are carried out at the balance sheet date. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. The gratuity benefit and compensated absences scheme is funded with the Life Insurance Corporation of India (LIC).

The short term provision for compensated absences has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the Company policy.

i. Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and Minimum Alternate Tax (MAT) credit entitlement.

Current tax

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

j. Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the Effective Interest Rate (EIR) applicable to the respective borrowing. Borrowing cost include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue and recognized as an expense in the Statement of Profit and Loss.

k. Research and development costs

Research and development costs incurred for development of products are expensed as incurred, except for development costs that relate to the design and testing of new or improved materials, products or processes,

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(₹ in million)

which are recognized as an intangible asset to the extent that it is technically feasible to complete the development of such asset and future economic benefits are expected to be generated from such assets. Capital expenditure on research and development is included as part of assets and depreciated on the same basis as other assets.

l. Provisions and contingencies

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

m. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether:

(i) the contact involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

The Company's leases mainly comprise of office premises and land and buildings for warehouse facilities.

n. Cash and cash equivalents

Cash comprises of cash at bank and in hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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o. Financial Instruments

a. Financial assets

i. Recognition and initial measurement

Trade receivables and debt instruments issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially measured at fair value. In the case of financial assets which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the Statement of Profit and Loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

ii. Classification

On initial recognition, a financial asset is classified as measured at

- amortised cost; or
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVOCI) - debt investment or equity investment

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

iii. Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

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Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

iv. Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

v. Impairment of financial assets

In accordance with Ind AS 109, the company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

ii. Trade receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

vi. Investment in subsidiaries

Investment in subsidiaries is carried at cost in the standalone financial statements.

b. Financial liabilities

i. Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value. In the case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the Statement of Profit and Loss. In other cases, the transaction costs are attributed to the acquisition or issue of financial liability.

ii. Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

iii. Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

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The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Financial guarantee contract

Financial guarantee contracts issued on behalf of a subsidiary is accounted as capital contribution to the subsidiary, if no payments from the subsidiary to the Company is agreed, and recorded as investments in the standalone financial statement.

p. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

7 Property, plant and equipment

Gross block	Land Freehold	Land Leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Leasehold improvements	Computer and data processing equipments	Right to use asset (Refer note b)	Total
Balance as at 1 April 24	368.05	5.22	319.79	1,219.57	34.55	33.76	26.90	3.60	33.26	48.93	2,093.63
Additions	-	-	15.05	150.31	1.30	9.69	4.28	0.15	2.74	20.05	203.57
Disposals	-	-	0.03	5.68	0.37	2.23	0.26	-	-	-	8.57
Balance as at 31 March 25	**368.05**	**5.22**	**334.81**	**1,364.20**	**35.48**	**41.22**	**30.92**	**3.75**	**36.00**	**68.98**	**2,288.63**
Additions	-	-	**0.04**	**47.31**	**4.43**	**1.63**	**7.19**	-	**3.62**	-	**64.22**
Disposals	-	-	-	**0.69**	-	**0.42**	**0.47**	-	**2.97**	-	**4.55**
Other adjustments										-	-
Reversal on account of assets written off	-	-	-	**7.93**	-	-	-	-	-	-	**7.93**
Balance as at 31 March 26	**368.05**	**5.22**	**334.85**	**1,402.89**	**39.91**	**42.43**	**37.64**	**3.75**	**36.65**	**68.98**	**2,340.37**
Accumulated depreciation and amortization											
Balance as at 1 April 24	-	0.56	127.10	436.76	21.24	21.13	16.07	2.68	21.39	28.49	675.42
Depreciation and amortization	-	0.07	16.79	65.61	3.22	6.19	5.43	0.26	5.86	8.92	112.35
Reversal on disposal of assets	-	-	0.03	5.32	0.34	2.07	0.20	-	-	-	7.96
Balance as at 31 March 25	-	**0.63**	**143.86**	**497.05**	**24.12**	**25.25**	**21.30**	**2.94**	**27.25**	**37.41**	**779.81**
Depreciation and amortization	-	**0.07**	**16.10**	**71.36**	**3.10**	**5.20**	**4.71**	**0.12**	**4.63**	**8.95**	**114.24**
Reversal on disposal of assets	-	-	-	**0.31**	-	**0.40**	**0.38**	-	**2.73**	-	**3.82**
Other adjustments										-	-
Reversal on account of assets written off	-	-	-	**4.51**	-	-	-	-	-	-	**4.51**
Balance as at 31 March 26	-	**0.70**	**159.96**	**563.59**	**27.22**	**30.05**	**25.63**	**3.06**	**29.15**	**46.36**	**885.72**
Net block											
Balance as at 31 March 25	368.05	4.59	190.95	867.15	11.36	15.97	9.62	0.81	8.75	31.57	1,508.82
Balance as at 31 March 26	**368.05**	**4.52**	**174.89**	**839.30**	**12.69**	**12.38**	**12.01**	**0.69**	**7.50**	**22.62**	**1,454.65**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

7A CAPITAL WORK-IN-PROGRESS (CWIP)

	Amount
CWIP as at 1 April 24	164.45
Additions during the year	226.41
Capitalised during the year	183.51
CWIP as at 31 March 25	**207.35**
Additions during the year	**343.97**
Capitalised during the year	**64.22**
Expensed out	**0.21**
CWIP as at 31 March 26	**486.89**

(a) For Capital-work-in progress ageing schedule

CWIP as at 31 March 26	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	302.67	78.32	35.99	42.88	459.86
Projects temporarily suspended	2.69	21.57	2.77	-	27.03

CWIP as at 31 March 25	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	125.72	38.82	39.59	3.22	**207.35**
Projects temporarily suspended	-	-	-	-	-

(b) For Right to use asset (refer note 38)

Gross block	Buildings	Land Leasehold	Total
Balance as at 1 April 24	36.31	12.62	48.93
Additions	20.05	-	20.05
Disposals	-	-	-
Balance as at 31 March 25	**56.36**	**12.62**	**68.98**
Additions	**-**	**-**	**-**
Disposals	**-**	**-**	**-**
Balance as at 31 March 26	**56.36**	**12.62**	**68.98**
Accumulated depreciation and amortization			
Balance as at 1 April 24	25.53	2.96	28.49
Amortization	8.18	0.74	8.92
Reversal on disposal of assets	-	-	-
Balance as at 31 March 25	**33.71**	**3.70**	**37.41**
Amortization	**8.21**	**0.74**	**8.95**
Reversal on disposal of assets	**-**	**-**	**-**
Balance as at 31 March 26	**41.92**	**4.44**	**46.36**
Net block			
Balance as at 31 March 25	22.65	8.92	31.57
Balance as at 31 March 26	**14.44**	**8.18**	**22.62**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

8 INTANGIBLE ASSETS

Gross block	Computer Software	Product Dossiers	Total
Balance as at 1 April 24	31.28	3.83	35.11
Additions	1.09	53.69	54.78
Disposals	-	-	-
Balance as at 31 March 25	**32.37**	**57.52**	**89.89**
Additions	**1.64**	**-**	**1.64**
Disposals	**-**	**-**	**-**
Balance as at 31 March 26	**34.01**	**57.52**	**91.53**
Accumulated amortisation			
Balance as at 1 April 24	30.00	2.01	32.01
Amortisation	0.55	1.15	1.70
Balance as at 31 March 25	**30.55**	**3.16**	**33.71**
Amortisation	**0.83**	**5.75**	**6.59**
Balance as at 31 March 26	**31.38**	**8.91**	**40.29**
Net block			
Balance as at 31 March 25	1.82	54.36	56.18
Balance as at 31 March 26	**2.63**	**48.61**	**51.24**

8A INTANGIBLE ASSETS UNDER DEVELOPMENT

	Amount
Balance as at 1 April 24	54.12
Additions during the year	0.82
Capitalised during the year	54.77
Balance as at 31 March 25	**0.17**
Additions during the year	**1.74**
Capitalised during the year	**1.64**
Expensed out	**0.27**
Balance as at 31 March 26	**-**

(a) Intangible assets under development ageing schedule

Intangible assets under development as at 31 March 26	Projects in progress	Projects temporarily suspended
Less than 1 year	-	-
1 - 2 years	-	-
2 - 3 years	-	-
More than 3 years	-	-
Total	**-**	**-**

Intangible assets under development as at 31 March 25	Projects in progress	Projects temporarily suspended
Less than 1 year	0.05	-
1 - 2 years	0.09	-
2 - 3 years	0.03	-
More than 3 years	-	-
Total	**0.17**	**-**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

9 NON-CURRENT INVESTMENTS

	As at 31 March 26	As at 31 March 25
Investment in Equity Instruments (Unquoted)		
Investment in subsidiaries (Valued at cost unless stated otherwise)		
60,000 Equity shares (31 March 25 - 60,000) of Rs. 10 each fully paid up of Advanced Bio-Agro Tech Limited ^	**0.60**	0.60
70,000 Equity shares (31 March 25 - 70,000) of Rs. 10 each fully paid up of Advanced Enzytech Solutions Limited ^	**1.57**	1.57
5,839 Equity shares (31 March 25 - 5,839) of USD 1,000 each fully paid up of Advanced Enzymes USA, Inc. * ^	**535.02**	533.83
19,824,656 Equity shares (31 March 25 - 19,824,656) of Rs. 10 each fully paid up of JC Biotech Private Limited * ^	**853.83**	852.00
7,900,000 Equity shares (31 March 25 - 7,900,000) of Euro 1 each fully paid up of Advanced Enzymes Europe B.V. * ^ (refer note 48)	**964.53**	961.74
520,408 Equity shares (31 March 25 - 520,408) of Rs. 10 each fully paid up of Scitech Specialities Pvt. Ltd. ^	**316.26**	316.26
19,991,663 Equity shares (31 March 25 - 19,991,663) of Re 1 each fully paid up of Saiganesh Enzytech Solutions Private Limited ^	**59.98**	59.98
50,000 Equity shares (31 March 25 - Nil) of Rs 10 each fully paid up of Advanced Nutrazyme Private Limited ^	**0.50**	-
Less: Provision for diminution in the value of investment	**(189.48)**	(189.48)
	2,542.81	2,536.50
Other investments (unquoted)		
Equity shares at fair value through profit and loss		
19,100 Equity shares (31 March 25 - 19,100) of Rs. 10 each fully paid up of Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd) ^	**0.57**	0.57
1,666 Equity shares (31 March 25 - 1,666) of Rs. 30 each fully paid up of Bombay Mercantile Co-op. Bank Limited	**0.05**	0.05
	0.62	0.62
	2,543.43	2,537.12
Aggregate value of unquoted investments	2,543.43	2,537.12
Provision for diminution in value of investments	189.48	189.48

^ Refer Note 42

* Includes cost of shares options issued to employees of subsidiary under the group plan as per Ind AS 102.

10 LONG-TERM LOANS

(Unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Loans	**0.02**	0.02
Interest receivable	**0.94**	0.63
	0.96	0.65

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

11 OTHER NON-CURRENT FINANCIAL ASSETS

(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Non-current bank balances/deposits having original maturity of more than 12 months	**20.07**	55.60
Security deposits	**24.94**	23.66
	45.01	79.26

12 OTHER NON-CURRENT ASSETS

(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Prepaid expenses	**2.29**	3.83
Capital advances	**126.24**	10.94
	128.53	14.77

13 INVENTORIES

(valued at lower of cost and net realizable)

	As at 31 March 26	As at 31 March 25
Raw materials and packing materials [including goods-in-transit of Rs. 75.16 million (31 March 25: Rs. 2.84 million)]	**469.22**	363.57
Work-in-progress	**450.09**	422.79
Finished goods [including goods-in-transit of Rs. 96.16 million (31 March 25 Rs. 67.54 million)]	**157.85**	154.33
Consumables and fuel	**88.00**	73.81
	1,165.16	1,014.50

As at 31 March 26, the Company has written down the value for slow moving inventory including net realisable value aggregating Rs 72.46 million (31 March 25: Rs 49.59 million). Charge created during the year ended 31 March 26 is Rs. 22.87 million (31 March 25: charge of Rs. 20.01 million) is included in cost of materials consumed and changes in inventories.

14 CURRENT INVESTMENTS

Mutual funds (Quoted)

(carried at fair value through profit and loss)

	As at 31 March 26	As at 31 March 25
ICICI Prudential Floating Interest Fund - Direct Plan - Growth	**40.59**	-
(No. of units 31 March 26: 83,409.554, 31 March 25: Nil)		
(Market value 31 March 26: 486.6122/unit)		
UTI Money Market Fund - Direct - Growth	**96.06**	76.13
(No. of units 31 March 26: 29,408.103; 31 March 25: 24,874.866)		
(Market value 31 March 26: 3,266.3741/unit; 31 March 25: 3,060.6445/unit)		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

	As at 31 March 26	As at 31 March 25
Tata Overnight Fund - Direct - Growth	**-**	20.29
(No. of units 31 March 26: Nil; 31 March 25: 15,057.214)		
(Market value 31 March 25: 1,347.4855/unit)		
Tata Money Market Fund - Direct - Growth	**102.73**	180.18
(No. of units 31 March 26: 20,387.144; 31 March 25: 38,203.968)		
(Market value 31 March 26: 5,039.1257/unit; 31 March 25: 4,716.3196/unit)		
HDFC Money Market Fund - Direct Plan Growth	**98.25**	89.92
(No. of units 31 March 26: 16,100.685; 31 March 25: 15,728.622)		
(Market value 31 March 26: 6,102.5131/unit; 31 March 25: 5,716.824/unit)		
Mirae Asset Money Market Fund - Direct Plan Growth	**92.79**	-
(No. of units 31 March 26: 69,436.432; 31 March 25: Nil)		
(Market value 31 March 26: 1,336.3622/unit)		
Bandhan Money Market Fund Direct Plan Growth	**84.98**	-
(No. of units 31 March 26: 1,858,578.72; 31 March 25: Nil)		
(Market value 31 March 26: 45.7227/unit)		
Bandhan Bond Fund Short Term - Direct Plan Growth	**41.22**	-
(No. of units 31 March 26: 648,950.515; 31 March 25: Nil)		
(Market value 31 March 26: 63.5122/unit)		
Absl Crisil Ibx Fin Ser 3-6 Month Debt Index Fund	**40.99**	-
(No. of units 31 March 26: 3,755,116.612; 31 March 25: Nil)		
(Market value 31 March 26: 10.9159/unit)		
Sbi Savings Fund - Direct Plan - Growth	**51.14**	-
(No. of units 31 March 26: 1,099,626.771; 31 March 25: Nil)		
(Market value 31 March 26: 46.5067/unit)		
Tata Arbitrage Fund - Direct Plan - Growth	**30.75**	-
(No. of units 31 March 26: 1,937,487.087; 31 March 25: Nil)		
(Market value 31 March 26: 15.8734/unit)		
Absl Arbitrage Fund - Growth-Direct Plan	**30.72**	-
(No. of units 31 March 26: 1,022,245.169; 31 March 25: Nil)		
(Market value 31 March 26: 30.0479/unit)		
Axis Treasury Advantage Fund - Direct Growth	**40.58**	-
(No. of units 31 March 26: 11952.462; 31 March 25: Nil)		
(Market value 31 March 26: 3,394.7058/unit)		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

	As at 31 March 26	As at 31 March 25
Axis Money Market Fund Direct Growth	46.86	-
(No. of units 31 March 26: 30,985.307; 31 March 25: Nil)		
(Market value 31 March 26: 1,512.1964/unit)		
Sbi Arbitrage Opportunities Fund - Dir - Growth	27.32	-
(No. of units 31 March 26: 724,410.999; 31 March 25: Nil)		
(Market value 31 March 26: 37.7102/unit)		
Icici Prudential Equity Arbitrage Fund - Direct Pl	25.32	-
(No. of units 31 March 26: 656,167.894; 31 March 25: Nil)		
(Market value 31 March 26: 38.5808/unit)		
Kotak Money Market Fund - Direct - Growth	60.28	-
(No. of units 31 March 26: 12,704.796; 31 March 25: Nil)		
(Market value 31 March 26: 4,744.6609/unit)		
	910.58	366.52

15 TRADE RECEIVABLES

	As at 31 March 26	As at 31 March 25
Secured, considered good	0.08	0.08
Unsecured, considered good	943.15	781.61
Unsecured, credit impaired	2.78	11.87
Less : Impairment loss allowance	(2.78)	(11.87)
	943.23	781.69
(Refer note 41 for information about credit risk and market risk of trade receivables)		
The above balance includes amounts due by private companies in which directors are interested (Refer note 42)	29.91	152.42

Outstanding as at 31 March 26

	Particulars	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i)	Undisputed Trade Receivables – considered good	501.17	432.20	5.67	1.89	0.33	1.97	943.23
ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii)	Undisputed Trade Receivables – credit impaired	0.17	0.41	0.13	0.24	0.26	1.57	2.78
iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total trade receivables	501.34	432.61	5.80	2.13	0.59	3.54	946.01
	Provision for doubtful trade receivables	(0.17)	(0.41)	(0.13)	(0.24)	(0.26)	(1.57)	(2.78)
	Net receivable	501.17	432.20	5.67	1.89	0.33	1.97	943.23

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

Outstanding as at 31 March 25

	Particulars	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i)	Undisputed Trade Receivables – considered good	374.65	396.11	4.82	5.21	0.59	0.31	781.69
ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii)	Undisputed Trade Receivables – credit impaired	0.99	2.55	0.93	3.33	2.65	1.42	11.87
iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total trade receivables	375.64	398.66	5.75	8.54	3.24	1.73	793.56
	Provision for doubtful trade receivables	(0.99)	(2.55)	(0.93)	(3.33)	(2.65)	(1.42)	(11.87)
	Net receivable	374.65	396.11	4.82	5.21	0.59	0.31	781.69

16 CASH AND CASH EQUIVALENTS

	As at 31 March 26	As at 31 March 25
Cash on hand	0.59	0.40
Cheques, drafts on hand	2.31	-
Balances with banks		
- in current accounts	12.75	52.48
- in deposit account with original maturity upto three months	3.29	3.16
	18.94	56.04

16A OTHER BANK BALANCES

	As at 31 March 26	As at 31 March 25
Unpaid dividend accounts	2.36	2.28
Earmarked bank balances *	2.15	-
	4.51	2.28

* These balances represent unspent Corporate Social Responsibility (CSR) amount of prior years and are transferred to separate bank account as per Section 135(6) of the Companies Act, 2013.

17 LOANS

(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Loan to employees	1.47	0.26
	1.47	0.26

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

18 OTHER CURRENT FINANCIAL ASSETS

(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Interest receivable	**4.28**	1.26
Export incentives receivable	**1.70**	1.78
Bank deposits having original maturity of more than 12 months but remaining maturity is less than 12 months	**55.60**	45.66
Others	**0.57**	0.11
	62.15	48.81

19 OTHER CURRENT ASSETS

(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Prepaid expenses	**15.54**	12.51
Advance to suppliers	**6.71**	6.62
Balance with Government authorities	**20.87**	27.75
Others	**10.63**	5.01
	53.75	51.89

20 EQUITY SHARE CAPITAL

	As at 31 March 26		As at 31 March 25	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Face Value Rs. 2 each	**175,000,000**	**350.00**	175,000,000	350.00
	175,000,000	**350.00**	175,000,000	350.00
Issued, subscribed and fully paid up				
Equity shares of Face Value Rs. 2 each	**111,926,800**	**223.85**	111,881,150	223.76
Total	**111,926,800**	**223.85**	111,881,150	223.76

a) Reconciliation of equity share capital

	As at 31 March 26		As at 31 March 25	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	**111,881,150**	**223.76**	111,824,075	223.65
Add : Issued during the year (Refer note 20d below)	**45,650**	**0.09**	57,075	0.11
Balance at the end of the year	**111,926,800**	**223.85**	111,881,150	223.76

b) Shareholders holding more than 5% of equity shares

	As at 31 March 26		As at 31 March 25	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of Face Value Rs. 2 each				
Mr. Vasant L. Rathi * ^	**29,871,702**	**26.69%**	37,123,702	33.18%
Vasant and Prabha Rathi Generation Trust ^	**7,500,000**	**6.70%**	-	0.00%
Nalanda India Equity Fund Limited	**9,465,501**	**8.46%**	9,465,501	8.46%
Orbimed Asia III Mauritius FVCI Limited	**13,509,522**	**12.07%**	13,509,522	12.07%
	60,346,725	**53.92%**	60,098,725	53.71%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

*includes shares held by Vasant and Prabha Rathi Generation Trust up to 31 March 25: 7,500,000 shares (6.70%)]

^ During the year ended 31 March 26 - Mr. Vasant Rathi, Promoter of the Company holding 7,500,000 (6.70%) Equity shares of the Company in his capacity as a "Trustee" on behalf of Vasant and Prabha Rathi Generation Trust ("Trust") has moved / transferred the said Equity Shares to the Trust Demat account.

c) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity share having a par value of Rs. 2 per share. Each holder of equity share is entitled to one vote per share. All shares rank pari passu on repayment of capital and surplus assets in the event of liquidation. Dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

d) Shares reserved for issue under "Employees Stock Option Scheme 2022 (ESOS 2022)"

The Company had reserved issuance of 1,088,500 Equity shares having face value of Rs. 2 each for offering to eligible employees of the Company under AETL Employees Stock Option Scheme 2022 (ESOS 2022) . The option would vest on graded basis over a maximum period of 5 years or such other period as may be decided by the Nomination and Remuneration Committee from the date of grant based on specific criteria. (refer note 43 & note 43A)

20A EQUITY SHARE CAPITAL

Details of Shares held by Promoters and Promoter Group Members at the end of the year

No.	Promoter and Promoter Group Members name	As at 31 March 26		As at 31 March 25		% change between 31 Mar 26 vs 31 Mar 25	As at 31 March 24		% change between 31 Mar 25 vs 31 Mar 24
		No. of shares	% of total shares	No. of shares	% of total shares		No. of shares	% of total shares	
1	Vasant Rathi * ^	29,871,702	26.69%	37,123,702	33.18%	-6.49%	37,053,702	33.12%	0.06%
2	Vasant and Prabha Rathi Generation Trust ^	7,500,000	6.70%	-	0.00%	6.70%	-	0.00%	0.00%
3	Chandrakumar Laxminarayan Rathi	-	0.00%	-	0.00%	0.00%	46,500	0.04%	-0.04%
4	Reshma Namita Rathi	2,646,858	2.36%	2,646,858	2.37%	0.00%	2,646,858	2.37%	0.00%
5	Rachana Vasant Rathi	2,641,500	2.36%	2,641,500	2.36%	0.00%	2,641,500	2.36%	0.00%
6	Rasika Vasant Rathi	2,665,825	2.38%	2,665,825	2.38%	0.00%	2,665,825	2.38%	0.00%
7	Prabhavati Vasant Rathi	913,000	0.82%	913,000	0.82%	0.00%	913,000	0.82%	0.00%
8	Kishor Laxminarayan Rathi	406,000	0.36%	406,000	0.36%	0.00%	1,466,000	1.31%	-0.95%
9	Kishor Laxminarayan Rathi HUF	1,100,000	0.98%	1,100,000	0.98%	0.00%	-	0.00%	0.98%
10	Madhusudan Kabra	615,600	0.55%	615,600	0.55%	0.00%	715,600	0.64%	-0.09%
11	Jayesh Madhusudan Soni	10,000	0.01%	35,000	0.03%	-0.02%	-	0.00%	0.03%
12	Sunil Ramdayal Attal	2,050	0.00%	5,000	0.00%	0.00%	-	0.00%	0.00%
13	Megha Jhawar	8,000	0.01%	20,000	0.02%	-0.01%	-	0.00%	0.02%
14	Payal Akshay Kulkarni	-	0.00%	7,500	0.01%	-0.01%	-	0.00%	0.01%
15	Pramila Shamsunder Soni .	-	0.00%	5,000	0.00%	0.00%	-	0.00%	0.00%
16	Snehal Shamsunder Soni	15,000	0.01%	15,000	0.01%	0.00%	-	0.00%	0.01%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

No.	Promoter and Promoter Group Members name	As at 31 March 26		As at 31 March 25		% change between 31 Mar 26 vs 31 Mar 25	As at 31 March 24		% change between 31 Mar 25 vs 31 Mar 24
		No. of shares	% of total shares	No. of shares	% of total shares		No. of shares	% of total shares	
17	Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd)	-	0.00%	-	0.00%	0.00%	487,609	0.44%	-0.44%
18	Pratik Prakash Kokane #	10,000	0.01%	-	0.00%	0.01%	-	0.00%	0.00%
19	Shruti Sharad Dhamdhere #	10,000	0.01%	-	0.00%	0.01%	-	0.00%	0.00%
20	Dhanyakumar Kishor Gadiya #	5,000	0.00%	-	0.00%	0.00%	-	0.00%	0.00%
	Total	**48,420,535**	**43.26%**	**48,199,985**	**43.08%**	**0.18%**	**48,636,594**	**43.47%**	**-0.39%**

*includes shares held by Vasant and Prabha Rathi Generation Trust [31 March 25: 7,500,000 shares (6.70%); 31 March 24: 7,500,000 shares (6.71%)]

^ During the year ended 31 March 26 - Mr. Vasant Rathi, Promoter of the Company holding 7,500,000 (6.70%) Equity shares of the Company in his capacity as a "Trustee" on behalf of Vasant and Prabha Rathi Generation Trust ("Trust") has moved / transferred the said Equity Shares to the Trust Demat account.

Mr. Dhanyakumar Kishor Gadiya, Mr. Pratik Prakash Kokane and Mrs. Shruti Sharad Dhamdhere are classified as promoter group members pursuant to gift of shares by promoter group member during the year.

21 OTHER EQUITY

	As at 31 March 26	As at 31 March 25
Share application money pending allotment (Refer note 53)		
Balance at the beginning of the year	-	-
Add: Monies received during the year	9.53	3.78
Less: Monies utilised towards issue of shares during the year	(7.22)	(3.78)
Balance at the end of the year	2.31	-
Capital reserve		
Balance at the beginning of the year	3.00	3.00
Add : Additions made during the year	-	-
Less : Deletions made during the year	-	-
Balance at the end of the year	3.00	3.00
Securities premium		
Balance at the beginning of the year	838.04	819.13
Add: Premium on issue of equity shares under ESOP scheme	15.96	18.91
Balance at the end of the year	854.00	838.04
Employee stock option reserve		
Balance at the beginning of the year	49.53	30.31
Add: Options granted during the year (refer note 43 and 43A)	55.92	36.80
Less: Exercised during the year	(8.88)	(15.24)
Less: Lapsed during the year	(7.29)	(2.34)
Balance at the end of the year	89.28	49.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

	As at 31 March 26	As at 31 March 25
General reserve		
Balance at the beginning of the year	32.53	32.53
Add : Additions made during the year	-	-
Less : Deletions made during the year	-	-
Balance at the end of the year	32.53	32.53
Retained earnings		
Balance at the beginning of the year	5,146.55	4,696.09
Add: Transferred from Statement of Profit and Loss	1,318.06	1,024.20
Add: Transferred from Other comprehensive income	8.43	(3.44)
Less: Dividend	(581.78)	(570.30)
Balance at the end of the year	5,891.26	5,146.55
	6,872.38	6,069.65

Nature and purpose of reserves

Capital reserve

The reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve.

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Employee stock option reserve

This represents the fair value of options granted to eligible employees of the Company under the ESOS 2022 Scheme over the vesting period. This reserve will be utilised on exercise of options by the employees.

General reserve

General reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid up and unpaid bonus shares.

Retained earnings

This reserve represents surplus of profit and loss account.

22 LEASE LIABILITIES

	As at 31 March 26		As at 31 March 25	
	Non-current	Current	Non-current	Current
Lease liability (Refer note 38)	10.33	9.17	19.69	7.95
	10.33	**9.17**	**19.69**	**7.95**

23 PROVISIONS

	As at 31 March 26		As at 31 March 25	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Compensated absences	-	8.14	-	9.68
Gratuity (Refer note 37)	42.55	11.26	13.28	8.20
Provision for sales return (Also, refer note below)	-	18.27	-	12.40
	42.55	37.67	13.28	30.28

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

Note:
As per best estimate of the management, provision has been made towards probable return of goods from customers, as per Indian Accounting Standard (Ind AS) 37

	As at 31 March 26	As at 31 March 25
Movement in provision for sales return		
Provision at the beginning of the year	**12.40**	10.26
Provision created during the year	**18.27**	12.40
Provision reversed/utilised during the year	**(12.40)**	(10.26)
Provision at the end of the year	**18.27**	**12.40**

24 DEFERRED TAX LIABILITIES (NET)

	As at 31 March 26	As at 31 March 25
Deferred tax liabilities		
Excess of depreciation/amortisation on Property, plant and equipment under income-tax law over depreciation/amortisation provided in standalone financial statements	**133.10**	135.43
	133.10	135.43
Deferred tax assets		
Provision for employee benefits	**18.96**	11.32
Others	**5.31**	6.11
	24.27	17.43
	108.83	118.00

Movement in deferred tax balances

Particulars	31 March 26					
	Net balance 1 April 25	Recognised in Statement of Profit and Loss	Recognised in OCI	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability
Deferred tax asset/(liabilities)						
Property, plant and equipment	(135.43)	2.33	-	(133.10)	-	(133.10)
Provision for employee benefits	11.32	10.48	(2.84)	18.96	18.96	-
Other items	6.11	(0.80)	-	5.31	5.31	-
Tax assets/(liabilities)	**(118.00)**	**12.01**	**(2.84)**	**(108.83)**	**24.27**	**(133.10)**
Offsetting of deferred tax assets and liabilities					**(24.27)**	**24.27**
Net deferred tax assets/(liabilities)	**(118.00)**	**12.01**	**(2.84)**	**(108.83)**	**-**	**(108.83)**

Particulars	31 March 25					
	Net balance 1 April 24	Recognised in Statement of Profit and Loss	Recognised in OCI	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability
Deferred tax asset/(liabilities)						
Property, plant and equipment	(120.55)	(14.88)	-	(135.43)	-	(135.43)
Provision for employee benefits	9.62	0.54	1.16	11.32	11.32	-
Other items	3.99	2.12	-	6.11	6.11	-
Tax assets/(liabilities)	**(106.94)**	**(12.22)**	**1.16**	**(118.00)**	**17.43**	**(135.43)**
Offsetting of deferred tax assets and liabilities					**(17.43)**	**17.43**
Net deferred tax assets/(liabilities)	**(106.94)**	**(12.22)**	**1.16**	**(118.00)**	**-**	**(118.00)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

Given that the Company does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

25 TRADE PAYABLES

	As at 31 March 26	As at 31 March 25
Total outstanding dues to micro and small enterprises (refer note below)	**47.23**	33.30
Total outstanding dues to others	**464.67**	216.27
	511.90	249.57
Amount due to related parties (Refer note 42)	**237.56**	116.08

Note:
Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

	As at 31 March 26	As at 31 March 25
Principal amount remaining unpaid	**47.23**	33.30
Interest due thereon	**-**	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	**-**	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	**-**	-
Interest accrued and remaining unpaid as at balance sheet date	**0.05**	0.05
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	**0.05**	0.05

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 26 has been made in the standalone financial statements based on information received and available with the Company.

Outstanding as at 31 March 26							
Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	35.77	11.46	-	-	-	47.23
Others	29.59	234.37	199.87	0.10	0.14	0.60	464.67
Disputed dues (MSMEs) and	-	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-	-
Total	**29.59**	**270.14**	**211.33**	**0.10**	**0.14**	**0.60**	**511.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

Outstanding as at 31 March 25

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	31.37	1.93	-	-	-	33.30
Others	22.81	73.21	120.13	-	-	0.12	216.27
Disputed dues (MSMEs) and	-	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-	-
Total	**22.81**	**104.58**	**122.06**	**-**	**-**	**0.12**	**249.57**

26 OTHER CURRENT FINANCIAL LIABILITIES

	As at 31 March 26	As at 31 March 25
Unpaid dividends (refer note below)	**2.36**	2.28
Security deposits from customers	**0.17**	0.17
Payable for purchase of property, plant and equipment	**36.82**	20.01
Employee benefits payable	**90.01**	71.92
Other payables *	**32.56**	17.70
	161.92	112.08

Note:

The amount due and paid during the year to "Investor Education and Protection Fund" is Rs. 0.19 million (31 March 25: 0.18 million).

* includes liabilities towards Corporate Social Responsibility (Refer note 47)

27 OTHER CURRENT LIABILITIES

	As at 31 March 26	As at 31 March 25
Statutory dues:		
Provident fund payable	**3.67**	3.34
Employees' State Insurance Scheme contribution payable	**0.04**	0.03
Other dues payable	**8.03**	5.81
Advance from customers	**35.16**	28.15
Others	**7.94**	1.80
	54.84	**39.13**

28 REVENUE FROM OPERATIONS

	Year ended 31 March 26	Year ended 31 March 25
Revenue from operations		
Sale of goods (refer note 39)		
Export	**1,520.52**	1,269.62
Domestic	**2,999.98**	2,240.58
	4,520.50	3,510.20
Other operating revenues		
Export incentives	**7.16**	3.91
	4,527.66	3,514.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

Disaggregation of revenue

Following table provides disaggregation of revenue and a reconciliation of product category wise revenue and revenue recognised in Statement of Profit and Loss as revenue from contracts with customers:

Particulars	31 March 26	31 March 25
Human nutrition	**2,903.50**	2,032.43
Animal nutrition	**763.08**	657.59
Bio-process	**873.46**	821.47
	4,540.04	3,511.49
Adjustments		
Reversal/(Provision) for sales return	**(5.88)**	-2.15
Discount (given) / reversal	**(13.66)**	0.86
	(19.54)	(1.29)
Total revenue from contract with customers	**4,520.50**	3,510.20

29 OTHER INCOME

	Year ended 31 March 26	Year ended 31 March 25
Interest income		
- on others	**14.70**	11.26
Liabilities no longer required written back	**-**	1.98
Profit on sale of property, plant and equipment (net)	**-**	0.59
Net gain on foreign currency transactions and translations	**15.01**	7.00
Dividend income (refer note 42)	**562.91**	561.06
Miscellaneous income	**41.26**	33.01
	633.88	614.90

30 COST OF MATERIALS CONSUMED

	Year ended 31 March 26	Year ended 31 March 25
Opening stock	**363.57**	388.56
Add: Purchases during the year	**1,982.86**	1,463.01
Less: Closing stock	**469.22**	363.57
	1,877.21	1,488.00

31 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	Year ended 31 March 26	Year ended 31 March 25
Opening stock		
- Finished goods	**154.33**	157.89
- Work-in-progress	**422.79**	354.56
	577.12	512.45
Closing stock		
- Finished goods	**157.85**	154.33
- Work-in-progress	**450.09**	422.79
	607.94	577.12
	(30.82)	(64.67)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

32 EMPLOYEE BENEFITS EXPENSE

	Year ended 31 March 26	Year ended 31 March 25
Salaries, wages and bonus	544.28	474.58
Contribution to provident and other funds (refer note 37)	24.51	20.95
Retirement benefits expense (refer note 37)	14.74	13.97
Staff welfare expenses	20.97	20.44
Employee stock compensation expense (refer note 43 and Note 43A)	42.78	30.41
	647.28	560.35

33 FINANCE COSTS

	Year ended 31 March 26	Year ended 31 March 25
Interest expenses on financial liabilities - borrowings carried at amortised cost	0.00	0.02
Interest expenses on lease liabilities (refer note 38)	2.07	2.34
	2.07	2.36

34 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31 March 26	Year ended 31 March 25
Depreciation on property, plant and equipment (refer note 7)	105.29	103.43
Amortisation of intangible assets (refer note 8)	6.59	1.70
Amortisation of right to use assets (refer note 7)	8.95	8.92
	120.83	114.05

35 OTHER EXPENSES

	Year ended 31 March 26	Year ended 31 March 25
Consumption of stores and spare parts	86.28	86.32
Power and fuel	236.85	185.24
Water charges	6.05	5.20
Laboratory expenses	36.24	36.96
Repairs and maintenance		
- Buildings	15.63	11.06
- Plant and equipment	48.24	50.10
- Others	8.02	9.75
Travel, conveyance and car hire	26.06	25.77
Commission	14.50	9.33
Sales promotion and advertisement	2.70	6.28
Freight outward and forwarding	82.76	72.50
Selling and distribution expenses	25.57	24.24
Rent (refer note 38)	2.37	2.17
Rates and taxes	56.91	53.63
Insurance	10.08	9.82
Printing and stationery	2.44	2.48
Communication expenses	6.60	5.89
Directors' sitting fees (refer note 42)	1.24	0.87
Commission to Non Executive Directors	7.56	4.97

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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(₹ in million)

	Year ended 31 March 26	Year ended 31 March 25
Legal and professional charges	60.22	46.11
Technical services	139.66	115.31
Payment to Auditors (refer note 45)	4.69	4.49
Bad debts (refer note 41)	1.75	4.91
Provisions of doubtful accounts receivable allowances/(reversal) (net) (refer note 41)	(9.09)	6.27
Donations	1.34	0.99
Loss on sale of property, plant and equipment (net)	0.31	-
Property, plant and equipment written off	3.63	-
Bank charges	2.92	2.70
Corporate Social Responsibility expenditure (refer note 47)	22.50	19.24
Miscellaneous expenses	25.62	21.04
	929.65	823.64

36 INCOME TAXES

Tax expense

(a) Income tax recognised in Statement of Profit and Loss

	Year ended 31 March 26	Year ended 31 March 25
Current income tax	270.69	168.86
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(12.01)	12.22
Tax expense for the year	258.68	181.08

(b) Income tax recognised in Other Comprehensive Income

	Year ended 31 March 26			Year ended 31 March 25		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	11.27	(2.84)	8.43	(4.60)	1.16	(3.44)
	11.27	(2.84)	8.43	(4.60)	1.16	(3.44)

(c) Reconciliation of effective tax rate

	Year ended 31 March 26	Year ended 31 March 25
Profit before tax after exceptional item	1,576.74	1,205.28
Tax using the Company's domestic tax rate (31 March 26: 25.168% and 31 March 25: Rs. 25.168%)	396.83	303.35
Tax effect of:		
Tax-exempt income	(141.67)	(141.21)
Non tax deductible items	7.12	4.94
Ind AS impacts	0.20	2.35
Others	(3.80)	11.65
Tax expense as per profit or loss	258.68	181.08

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

37 EMPLOYEE BENEFITS

The Company contributes to the following post-employment plans in India.

(A) Defined Contribution Plans:

The Company makes contributions towards provident fund and superannuation fund which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

The Company recognised Rs 20.94 million for the year ended 31 March 26 (31 March 25: Rs. 18.89 million) towards provident fund and employee deposit linked insurance contribution, Rs 0.71 million for the year ended 31 March 26 (31 March 25: Rs 0.72 million) towards Employee State Insurance Scheme, Rs 2.80 million for the year ended 31 March 26 (31 March 25: Rs 1.27 million) towards National Pension Scheme and Rs 0.06 million for the year ended 31 March 26 (31 March 25: Rs 0.05 million) towards Labour Welfare Fund in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(B) Defined Benefit Plan:

The Company provides for gratuity benefit, which is defined benefit plans, covering all its eligible employees. The Company has taken a Group Gratuity for its employees with the Life Insurance Corporation of India (LIC). Under gratuity policy, the eligible employees are entitled to receive gratuity payments upon their resignation or death (subject to completion of 4.5 years of employment) in lumpsum after deduction of necessary taxes.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31 March 26. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

	As at 31 March 26 Gratuity	As at 31 March 25 Gratuity
Defined benefit obligation	142.77	102.29
Fair value of plan assets	88.96	80.81
Net defined benefit obligation/(assets)	**53.81**	**21.48**

i) Reconciliation in present value of obligations ('PVO') – defined benefit obligation:

	Defined benefit obligation	
	As at 31 March 26 Gratuity	As at 31 March 25 Gratuity
Opening balance	102.29	82.79
Included in profit or loss		
Current service cost	9.84	7.85
Past service cost	38.58	1.98
Interest cost	6.53	5.65
	157.24	98.27
Included in OCI		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Financial assumptions	(4.87)	3.89
Experience adjustment	(5.18)	1.55
	147.19	103.71
Benefits paid	(4.42)	(1.42)
Closing balance	142.77	102.29

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

ii) Change in fair value of plan assets

	Fair value of plan assets	
	As at 31 March 26 Gratuity	As at 31 March 25 Gratuity
Opening balance	80.81	69.94
Included in profit or loss		
Expected return on plan assets	5.38	4.97
	86.19	74.91
Included in OCI	-	
Remeasurement (loss)/gain:		
Actuarial (loss)/gain arising from:		
Expected return on plan assets	1.22	0.84
	87.41	75.75
Other		
Contributions paid by the employer	5.97	6.48
Benefits paid	(4.42)	(1.42)
Closing balance	88.96	80.81

Impact on Standalone Statement of Profit and Loss for the current year

	31 March 26 Gratuity	31 March 25 Gratuity
Service cost:		
Current service cost	9.84	7.85
Past service cost and loss/(gain) on curtailments and settlement	38.58	1.98
Net interest cost	1.15	0.68
Total included in Employee Benefit expenses	49.57	10.51
Expenses deducted from the fund	-	-
Total Charge to Standalone Statement of Profit and Loss	49.57	10.51

Impact on Other comprehensive income for the current year

	31 March 26 Gratuity	31 March 25 Gratuity
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	(4.87)	3.89
Due to experience adjustments	(5.18)	1.55
Return on plan assets excluding amounts included in interest income	(1.22)	(0.84)
Amounts recognized in Other Comprehensive Income	(11.27)	4.60

Plan assets

Plan assets comprise the following

Gratuity	31 March 26	31 March 25
Policy of insurance	100%	100%
	100%	100%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 26	31 March 25
	Gratuity	Gratuity
Discount rate	7.15%	6.60%
Rate of return on plan assets	7.15%	6.60%
Salary Escalation	8.50%	8.50%
Withdrawal rates	12% at younger ages reducing to 2% at older ages	12% at younger ages reducing to 2% at older ages
Retirement age	58 years	58 years
Mortality rates	As published under the Indian assured lives mortality (2012-14) table	As published under the Indian assured lives mortality (2012-14) table

Assumptions regarding future mortality have been based on published statistics and mortality tables.

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below.

	31 March 26	31 March 25
	Gratuity	Gratuity
Increase in	**Rs. in million**	**Rs. in million**
Discount rate (0.5% movement)	138.58	98.99
Future salary growth (0.5% movement)	146.70	105.38
Withdrawal rates (10% movement)	142.42	101.94

	31 March 26	31 March 25
	Gratuity	Gratuity
Decrease in	**Rs. in million**	**Rs. in million**
Discount rate (0.5% movement)	147.15	105.73
Future salary growth (0.5% movement)	138.97	99.29
Withdrawal rates (10% movement)	143.04	102.64

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

v. Expected future cash flows

Expected contribution

The expected contributions for the defined benefit plan for the next financial year is Rs 11.26 million

Expected future benefit payments	Rs in million
31 March 2027	23.51
31 March 2028	14.20
31 March 2029	17.09
31 March 2030	8.79
31 March 2031	45.25
Thereafter	41.13

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The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

Compensated absences

The Company recognised Rs 10.29 million for the year ended 31 March 26 (31 March 25: Rs. 11.86 million) towards compensated absences.

Superannuation

The Company recognised Rs 3.75 million for the year ended 31 March 26 (31 March 25: Rs. 3.38 million) towards super-annuation fund contribution in the Statement of Profit and Loss.

38 LEASES

(a) **Maturity analysis of lease liabilities– contractual undiscounted cash flows:**

Particulars	Year Ended 31 March 26	Year Ended 31 March 25
Less than one year	10.71	10.22
One to five years	10.00	20.33
More than five years	1.82	2.20
Total undiscounted lease liabilities at 31 March	**22.53**	**32.75**
Discounted Lease liabilities included in the statement of financial position at 31 March		
Current lease liability	9.17	7.95
Non-current lease liability	10.33	19.69

(b) The Weighted average incremental borrowing rate ranges between 6.00% to 9.50% p.a. for local currency borrowings has been applied for measuring the lease liability at the date of initial application.

(c) The Company incurred Rs. 13.38 million for the year ended 31 March 26 (31 March 25: Rs. 13.42 million) towards expenses relating to leases in statement of profit and loss. Lease rent incurred not falling under the scope of Ind AS 116 amounted to Rs. 2.37 million for the year ended 31 March 26 (31 March 25: Rs. 2.17 million). (refer Note 35).

(d) Total cash outflow for leases for year ended 31 March 26 is Rs 10.22 million (31 March 25: Rs 9.80 million).

(e) General Description of leasing agreements:

- Leased Assets: Office premises and leasehold land
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

(f) Please refer note 7 for carrying value of Right of Use Assets for the year ended 31 March 26.

(g) **Changes in the lease liabilities**

Particulars	Building	Leasehold land
Opening balance as at 1 April 24	11.95	3.09
Add: Additions during the year	20.05	-
Add: Interest for the year	2.14	0.20
Less: Lease payments during the year	9.41	0.38
Closing balance as at 31 March 25	**24.73**	**2.91**
Add: Interest for the year	**1.88**	**0.19**
Less: Lease payments during the year	**9.84**	**0.38**
Closing balance as at 31 March 26	**16.78**	**2.72**

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39 SEGMENT REPORTING

Basis of segmentation

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

The Company has identified that it operates only in one business segment viz. 'manufacturing and sales of enzymes' and hence no separate information for primary segment wise disclosure is required.

Geographic information

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

	Year ended 31 March 26	Year ended 31 March 25
Segment revenue (based upon location of customers)		
India	**2,999.98**	2,240.58
Europe	**228.55**	179.76
USA	**418.02**	531.48
Asia	**716.42**	449.95
Others	**157.53**	108.43
	4,520.50	3,510.20

	31 March 26	31 March 25
Segment assets (based upon location of assets)		
India	**2,238.57**	1,892.95
Europe	**47.55**	52.92
USA	**1.04**	1.42
	2,287.16	1,947.29

Major customer

Revenue from a customer based in India is Rs 491.97 million is in excess of 10% of the Company's revenue for the year (31 March 25: Rs. 473.13 million from a subsidiary based in U.S.A) (Refer note 42 for related party disclosures).

40 EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. **Profit attributable to Equity holders**

	31 March 26	31 March 25
Profit attributable to equity holders	1,318.06	1,024.20

ii. **Weighted average number of equity shares**

	31 March 26	31 March 25
Issued equity shares at 1 April	111,881,150	111,824,075
Effect of fresh issue of shares for cash under ESOP scheme	22,012	28,071
Weighted average number of shares at 31 March for basic EPS	**111,903,162**	111,852,146
Effect of exercise of share options	1,36,963	138,199
Weighted average number of shares at 31 March for diluted EPS	**112,040,125**	111,990,345

Basic and Diluted earnings per share

	31 March 26	31 March 25
Basic earnings per share	**11.78**	9.16
Diluted earnings per share	**11.76**	9.15

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41 FINANCIAL INSTRUMENTS

i. **Financial instruments – Fair values and risk management**

A. **Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

		Carrying amount				Fair value			
31 March 26	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Financial assets									
Investments - Non-current	9	-	-	2,543.43	2,543.43	-	-	-	-
Loans - Non-current	10	-	-	0.96	0.96	-	-	-	-
Others - Non-current	11	-	-	45.01	45.01	-	-	-	-
Investments - Current	14	910.58	-	-	910.58	910.58	-	-	910.58
Trade receivables	15	-	-	943.23	943.23	-	-	-	-
Cash and cash equivalents	16	-	-	18.94	18.94	-	-	-	-
Bank balances	16A	-	-	4.51	4.51	-	-	-	-
Loans - Current	17	-	-	1.47	1.47	-	-	-	-
Others - Current	18	-	-	62.15	62.15	-	-	-	-
		910.58	**-**	**3,619.70**	**4,530.28**	**910.58**	**-**	**-**	**910.58**
Financial liabilities									
Leases - Non current	22	-	-	10.33	10.33	-	-	-	-
Leases - Current	22	-	-	9.17	9.17	-	-	-	-
Trade payables	25	-	-	511.90	511.90	-	-	-	-
Other financial Liabilities	26	-	-	161.92	161.92	-	-	-	-
		-	**-**	**693.32**	**693.32**	**-**	**-**	**-**	**-**

Note: There have been no transfers among Level 1, Level 2 and Level 3 during the year.

		Carrying amount				Fair value			
31 March 25	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Financial assets									
Investments - Non-current	9	-	-	2,537.12	2,537.12	-	-	-	-
Loans - Non-current	10	-	-	0.65	0.65	-	-	-	-
Others - Non-current	11	-	-	79.26	79.26	-	-	-	-
Investments - Current	14	366.52	-	-	366.52	366.52	-	-	366.52
Trade receivables	15	-	-	781.69	781.69	-	-	-	-
Cash and cash equivalents	16	-	-	56.04	56.04	-	-	-	-
Bank balances	16A	-	-	2.28	2.28	-	-	-	-
Loans - Current	17	-	-	0.26	0.26	-	-	-	-
Others - Current	18	-	-	48.81	48.81	-	-	-	-
		366.52	**-**	**3,506.11**	**3,872.63**	**366.52**	**-**	**-**	**366.52**

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31 March 25	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial liabilities									
Leases - Non current	22	-	-	19.69	19.69	-	-	-	-
Leases - Current	22	-	-	7.95	7.95	-	-	-	-
Trade payables	25	-	-	249.58	249.58	-	-	-	-
Other financial Liabilities	26	-	-	112.08	112.08	-	-	-	-
		-	**-**	**389.30**	**389.30**	**-**	**-**	**-**	**-**

Note: There have been no transfers among Level 1, Level 2 and Level 3 during the year.

B. Measurement of fair values

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal auditor undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit

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limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

At 31 March 26, the carrying amount of the Company's most significant customer accounted for Rs 159.28 million (31 March 25 - Rs 118.22 million)

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	31 March 26		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	**501.34**	0.03%	**0.17**
0-90 days	**386.74**	0.04%	**0.17**
91-180 days	**45.68**	0.54%	**0.24**
181-270 days	**4.73**	1.77%	**0.08**
271-360 days	**1.26**	3.70%	**0.05**
More than 360 days	**6.26**	33.07%	**2.07**
	946.01		**2.78**

	31 March 25		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	375.64	0.26%	0.99
0-90 days	384.64	0.36%	1.39
90-180 days	11.43	7.09%	0.81
180-270 days	5.74	13.38%	0.77
270-360 days	2.60	19.43%	0.51
More than 360 days	13.51	54.76%	7.40
	793.56		11.87

Expected credit loss assessment for customers as at 31 March 26 and 31 March 25

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	Amount
Balance as at 1 April 24	5.60
Add: Impairment loss recognised	11.18
Less: Amounts written back	4.91
Balance as at 31 March 25	**11.87**
Add: Impairment (reversal)/loss recognised	(7.34)
Less: Amounts written back	1.75
Balance as at 31 March 26	**2.78**

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The impairment loss at 31 March 26 and 31 March 25 related to certain customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents

The Company held cash and cash equivalents of Rs 18.94 million at 31 March 26 (31 March 25: Rs 56.04 million). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

Derivatives

There are no derivatives contracts outstanding as on 31 March 26.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and mutual funds which carry no/low mark-to-market risks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted except in case of lease liabilities where the amounts are mentioned on discounted basis, and include estimated interest payments:

31 March 26		Contractual cash flows				
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Lease liabilities - Non-current	10.33	10.33	-	7.38	1.43	1.52
Lease liabilities - Current	9.17	9.17	9.17	-	-	-
Trade payables	511.90	511.90	511.90	-	-	-
Other financial liabilities	161.92	161.92	161.92	-	-	-

31 March 25		Contractual cash flows				
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Lease liabilities - Non-current	19.69	19.69	-	13.11	4.79	1.79
Lease liabilities - Current	7.95	7.95	7.95	-	-	-
Trade payables	249.57	249.57	249.57	-	-	-
Other financial liabilities	112.08	112.08	112.08	-	-	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables

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and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company uses derivative instruments, i.e. foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 26 and 31 March 25 are as below:

Rs. in million

	31 March 26 USD	31 March 26 EURO	31 March 26 Others
Financial assets			
Cash and cash equivalents	0.18	0.07	0.04
Trade and other receivables	119.62	44.94	-
	119.80	45.01	0.04
Financial liabilities			
Trade and other payables	107.71	21.25	-
	107.71	21.25	-
Net exposure	12.09	23.76	0.04

	31 March 25 USD	31 March 25 EURO	31 March 25 Others
Financial assets			
Cash and cash equivalents	0.03	0.06	0.03
Trade and other receivables	172.12	68.06	-
	172.15	68.12	0.03
Financial liabilities			
Trade and other payables	23.58	1.96	-
	23.58	1.96	-
Net exposure	148.57	66.16	0.03

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and Euros at 31 March would have affected the measurement of financial instruments denominated in US dollars and Euros and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss	
Effect in Rs	Strengthening	Weakening
31 March 26		
1% movement		
USD	(0.12)	0.12
EUR	(0.24)	0.24
Others #	(0.00)	0.00
	(0.36)	0.36

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(₹ in million)

Effect in Rs	Profit or loss	
	Strengthening	Weakening
31 March 25		
1% movement		
USD	(1.49)	1.49
EUR	(0.66)	0.66
Others #	(0.00)	0.00
	(2.15)	**2.15**

Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00

42 RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

The table provides the information about the Group's structure including the details of the subsidiaries and the holding company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a Name of Related Parties where control exists irrespective of whether transactions have occurred or not

I Subsidiaries including step-down subsidiaries

Advanced Bio-Agro Tech Limited

Advanced Enzytech Solutions Limited

Advanced Enzymes Europe B.V.

JC Biotech Private Limited

Advanced Enzymes USA, Inc.

Evoxx Technologies GmbH (Wholly owned subsidiary of Advanced Enzymes Europe B. V.)

Cal India Foods International (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)

Advanced Supplementary Technologies Corporation (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)

Enzyme Innovation, Inc. (Wholly owned subsidiary of Advanced Supplementary Technologies Corporation)

Scitech Specialities Private Limited

Saiganesh Enzytech Solutions Private Limited

Starya Labs Inc. (Wholly owned subsidiary of Advanced Enzymes USA, Inc. w.e.f. 9 December 24)

Advanced Nutrazyme Private Limited (w.e.f. 7 July 25)

b Name of other related parties

II Key Management Personnel (KMP)

Mr. Vasant L Rathi	Chairman and Non-executive Director
Mr. Mukund M. Kabra	Whole-time Director
Mr. Beni P. Rauka	Chief Financial Officer
Mr. Sanjay Basantani	Company Secretary
Mr. Pramod Kasat	Independent Director
Ms. Rasika Rathi	Non-executive director and daughter of Chairman
Mr. Vinodkumar Jajoo	Independent Director
Dr. Sunny Sharma	Non-executive director
Mrs. Rajshree Patel	Independent Director
Mr. Nitin Jagannath Deshmukh	Independent Director
Mrs. Vandana Tilak	Independent Director

Close members of KMP :

Mrs. Prabha V. Rathi	Wife of chairman
Mr. Kishor L. Rathi	Brother of Chairman

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III Other related parties (entities in which either of the KMP's have significant influence) and with whom transactions have taken place during the year

Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd)

42 Related party relationships, transactions and balances

c) Transactions with related parties

Transactions during the year	Subsidiaries		KMP and relatives		Other related parties	
	Year ended 31 March 26	Year ended 31 March 25	Year ended 31 March 26	Year ended 31 March 25	Year ended 31 March 26	Year ended 31 March 25
1 Purchases of materials						
JC Biotech Private Limited	720.93	587.74	-	-	-	-
Cal India Foods International	-	0.03	-	-	-	-
Evoxx Technologies GmbH	0.91	0.62	-	-	-	-
Scitech Specialities Private Limited	7.84	3.04	-	-	-	-
Saiganesh Enzytech Solutions Private Limited	68.34	67.56				
	798.02	**658.99**	**-**	**-**	**-**	**-**
2 Sale of goods and materials						
Advanced EnzyTech Solutions Limited	139.68	141.58	-	-	-	-
Advanced Bio-Agro Tech Limited	327.21	305.44	-	-	-	-
Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd)	-	-	-	-	3.33	2.06
Cal India Foods International	348.33	473.13	-	-	-	-
JC Biotech Private Limited	3.83	5.02	-	-	-	-
Evoxx Technologies GmbH	14.88	21.55	-	-	-	-
Scitech Specialities Private Limited	36.82	22.48	-	-	-	-
Advanced Nutrazyme Private Limited	1.06	-	-	-	-	-
	871.81	**969.20**	**-**	**-**	**3.33**	**2.06**
3 Remuneration * ^						
Mr. Mukund Kabra	-	-	29.91	27.14	-	-
Mr. Kishor L. Rathi	-	-	3.72	3.90	-	-
Mr. Beni P. Rauka	-	-	17.01	15.94	-	-
Mr. Sanjay Basantani	-	-	6.10	5.50	-	-
	-	**-**	**56.74**	**52.48**	**-**	**-**
4 Commission to directors						
Mr. Vasant L. Rathi	-	-	1.57	0.99	-	-
Mr. Mukund Kabra	-	-	6.57	5.11	-	-
Ms. Rasika Rathi	-	-	0.78	0.59	-	-
Mr. Pramod Kasat	-	-	1.31	0.89	-	-
Mr. Vinodkumar Jajoo	-	-	1.44	1.09	-	-
Dr. Sunny Sharma	-	-	0.39	0.30	-	-
Mrs. Rajshree Patel	-	-	1.04	0.30	-	-
Mr. Nitin Jagannath Deshmukh	-	-	0.91	0.59	-	-
Mrs. Vandana Tilak	-	-	-	-	-	-
	-	**-**	**14.01**	**9.86**	**-**	**-**
5 Sitting fees to Independent directors						
Mr. Pramod Kasat	-	-	0.33	0.29	-	-
Mr. Vinodkumar Jajoo	-	-	0.37	0.34	-	-
Mrs. Rajshree Patel	-	-	0.27	0.10	-	-
Mr. Nitin Jagannath Deshmukh	-	-	0.27	0.22	-	-
Ms. Vandana Tilak	-	-	-	(0.08)	-	-
	-	**-**	**1.24**	**0.87**	**-**	**-**

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FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

	Transactions during the year	Subsidiaries		KMP and relatives		Other related parties	
		Year ended 31 March 26	Year ended 31 March 25	Year ended 31 March 26	Year ended 31 March 25	Year ended 31 March 26	Year ended 31 March 25
6	**Investment in subsidiaries**						
	Advanced Enzymes Europe B.V.	-	478.18	-	-	-	-
	Advanced Nutrazyme Private Limited	0.50	-	-	-	-	-
		0.50	**478.18**	**-**	**-**	**-**	**-**
7	**Dividend income**						
	Advanced Enzytech Solutions Limited	14.00	21.00	-	-	-	-
	Advanced Bio-Agro Tech Limited	24.00	24.00	-	-	-	-
	Advanced Enzymes USA, Inc.	524.91	512.06	-	-	-	-
	Saiganesh Enzytech Solutions Private Limited	-	4.00	-	-	-	-
		562.91	**561.06**	**-**	**-**	**-**	**-**
8	**Reimbursement of expenses**						
	Advanced Enzymes USA, Inc.	1.18	1.07	-	-	-	-
	JC Biotech Private Limited	1.83	0.65	-	-	-	-
	Advanced Enzymes Europe B.V.	2.79	2.33	-	-	-	-
		5.80	**4.05**	**-**	**-**	**-**	**-**
9	**Technical services procured**						
	Evoxx Technologies GmbH	124.06	89.28	-	-	-	-
		124.06	**89.28**	**-**	**-**	**-**	**-**

* included in Employee benefit expense

^ The amount does not include gratuity and compensated absences which are actuarially determined on an overall basis for the Company and individual information in respect of the Key Management Personnel is not available.

d)	Balances at the year end	Subsidiaries		KMP and relatives		Other related parties	
		As on 31 March 26	As on 31 March 25	As on 31 March 26	As on 31 March 25	As on 31 March 26	As on 31 March 25
	Outstanding balances						
1	**Investments**						
	Advanced Bio-Agro Tech Limited	0.60	0.60	-	-	-	-
	Advanced EnzyTech Solutions Limited	1.57	1.57	-	-	-	-
	Advanced Enzymes USA, Inc.	535.02	533.83	-	-	-	-
	JC Biotech Private Limited	853.83	852.00	-	-	-	-
	Advanced Enzymes Europe B.V.	964.53	961.74	-	-	-	-
	Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd)	-	-	-	-	0.57	0.57
	Scitech Specialities Private Limited	316.26	316.26	-	-	-	-
	Saiganesh Enzytech Solutions Private Limited	59.98	59.98	-	-	-	-
	Advanced Nutrazyme Private Limited	0.50	-	-	-	-	-
		2,732.29	**2,725.98**	**-**	**-**	**0.57**	**0.57**
2	**Trade receivables**						
	Advanced EnzyTech Solutions Limited	6.63	7.72	-	-	-	-
	Advanced Bio-Agro Tech Limited	1.56	10.30	-	-	-	-
	Cal India Foods International	13.76	118.22	-	-	-	-
	Evoxx Technologies GmbH	-	12.19	-	-	-	-
	Scitech Specialities Private Limited	5.40	3.99	-	-	-	-
	Advanced Nutrazyme Private Limited	1.11	-	-	-	-	-
	JC Biotech Private Limited	1.45	-	-	-	-	-
		29.91	**152.42**	**-**	**-**	**-**	**-**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

d)	Balances at the year end	Subsidiaries		KMP and relatives		Other related parties	
		As on 31 March 26	As on 31 March 25	As on 31 March 26	As on 31 March 25	As on 31 March 26	As on 31 March 25
3	**Trade payables**						
	Evoxx Technologies GmbH	14.16	1.96	-	-	-	-
	JC Biotech Private Limited	206.81	104.54	-	-	-	-
	Scitech Specialities Private Limited	0.25	1.03	-	-	-	-
	Saiganesh Enzytech Solutions Private Limited	16.34	8.55	-	-	-	-
		237.56	**116.08**	**-**	**-**	**-**	**-**
4	**Remuneration payable**						
	Mr. Mukund M. Kabra	-	-	1.23	1.27	-	-
	Mr. Kishor L. Rathi	-	-	0.26	0.22	-	-
	Mr. Beni P. Rauka	-	-	0.90	0.52	-	-
	Mr. Sanjay Basantani	-	-	0.24	0.21	-	-
		-	**-**	**2.63**	**2.22**	**-**	**-**
5	**Commission payable**						
	Mr. Vasant L. Rathi	-	-	1.57	0.99	-	-
	Mr. Mukund Kabra	-	-	6.57	5.11	-	-
	Ms. Rasika Rathi	-	-	0.78	0.59	-	-
	Mr. Pramod Kasat	-	-	1.31	0.89	-	-
	Mr. Vinodkumar Jajoo	-	-	1.44	1.09	-	-
	Dr. Sunny Sharma	-	-	0.39	0.30	-	-
	Mrs. Rajshree Patel	-	-	1.04	0.30	-	-
	Mr. Nitin Jagannath Deshmukh	-	-	0.91	0.59	-	-
		-	**-**	**14.01**	**9.86**	**-**	**-**
6	**Directors' sitting fees payable**						
	Mr. Pramod Kasat	-	-	0.02	0.02	-	-
	Mr. Vinodkumar Jajoo	-	-	0.02	0.02	-	-
	Mrs. Rajshree Patel	-	-	0.12	0.05	-	-
	Mr. Nitin Jagannath Deshmukh	-	-	0.02	0.02	-	-
		-	**-**	**0.18**	**0.11**	**-**	**-**

Notes:

The Company's international transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 25. Management believes that the Company's international transactions and domestic transactions with related parties post 31 March 25 continue to be at arm's length and that the transfer pricing legislation will not have any material impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

In compliance with Ind AS – 27 'Separate Financial Statements', the required information is as under:

Subsidiaries	Country of incorporation	Ownership interest	
		31 March 26	31 March 25
i. Advanced Bio-Agro Tech Limited	India	60.00%	60.00%
ii. JC Biotech Private Limited	India	95.72%	95.72%
iii. Advanced Enzytech Solutions Limited	India	100.00%	100.00%
iv. Advanced Enzymes USA, Inc.	USA	100.00%	100.00%
v. Advanced Enzymes Europe B.V.	Netherlands	100.00%	100.00%
vi. Evoxx Technologies GmbH (Wholly owned subsidiary of Advanced Enzymes Europe B. V.)	Germany	100.00%	100.00%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

Subsidiaries	Country of incorporation	Ownership interest 31 March 26	31 March 25
vii. Cal India Foods International (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)	USA	100.00%	100.00%
viii. Advanced Supplementary Technologies Corporation (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)	USA	100.00%	100.00%
ix. Enzyme Innovation, Inc. (Wholly owned subsidiary of Cal India Foods International)	USA	100.00%	100.00%
x. Scitech Specialities Private Limited	India	51.00%	51.00%
xi. Saiganesh Enzytech Solutions Private Limited	India	50.00%	50.00%
xii. Starya Labs Inc. (Wholly owned subsidiary of Advanced Enzymes USA, Inc. w.e.f. 9 December 24)	USA	100.00%	100.00%
xiii. Advanced Nutrazyme Private Limited (w.e.f. 7 July 25)	India	100.00%	0.00%

43 EMPLOYEE SHARE-BASED PAYMENT PLANS

a) Description of share-based payment arrangements:

As at 31 March 26, the Company has the following share-based payment arrangements for employees.

'AETL Employee Stock Option Scheme 2022'- ("AETL ESOS 2022")

AETL ESOS 2022, 1st grant provides for the grant of 576,000 stock options to specified employees on 12 August 2023. The AETL ESOS 2022 had been formulated by Board of Directors which was further adopted by Nomination and Remuneration committee. The Shareholders approved scheme on 19 August 2022. The plan entitles specified employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the plan, holders of vested options are entitled to purchase one equity share of face value of Rs 2 each for every option as per the scheme.

576,000 Equity Shares of Face Value of Rs. 2 each are reserved for issue under AETL Employee Stock Option Scheme 2022 (AETL ESOS 2022)

The terms and conditions related to the grant of the share options are as follows:

Employees entitled	Specified employees
Number of options	576,000
Scheme formulation	
Category I	First 500 Options at the Exercise Price of ₹ 2 /- each
Category II	Employees who have been granted Options upto 5,000; First 500 Options at ₹ 2/- each and remaining Options at ₹ 141 /- each
Category III	Employees who have been granted Options more than 5,000; First 500 Options at ₹ 2 /- each, Next 4,500 Option at ₹ 141 /- each and remaining Options at ₹ 188 /- each
Vesting conditions	
Category I	After 1 year of the date of grant
Category II	First 500 option after 1 year of the date of grant and for balance options
	After 1 year of the date of grant 5% vesting
	After 2 years of the date of grant 10% vesting
	After 3 years of the date of grant 20% vesting
	After 4 years of the date of grant 30% vesting
	After 5 years of the date of grant 35% vesting
Category III	After 1 year of the date of grant 5% vesting
	After 2 years of the date of grant 10% vesting
	After 3 years of the date of grant 20% vesting
	After 4 years of the date of grant 30% vesting
	After 5 years of the date of grant 35% vesting
Contractual life of options	Graded vesting over 5 years

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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(₹ in million)

b) Measurement of fair value :

The fair values are measured based on the Black-Scholes-option valuation model. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measurement of the fair values at grant date and measurement date of the stock options were as follows.

Particulars					
Vesting	**1 Year**	**2 Years**	**3 Years**	**4 Years**	**5 Years**
Share price at grant date (Face value - Rs 2 per share)	Rs. 329	Rs. 329	Rs. 329	Rs. 329	Rs. 329
Exercise price (Face value - Rs 2 per share)					
Expected volatility (weighted average)	31.41%	33.82%	40.78%	43.12%	42.13%
Expected life (weighted average)	1.25 years	2.25 years	3.25 years	4.25 years	5.25 years
Expected dividend	0.30%	0.30%	0.30%	0.30%	0.30%
Risk-free interest rate (based on government bond)	6.69% p.a.	6.77% p.a.	6.80% p.a.	6.81% p.a.	6.82% p.a.

Weighted-average exercise prices and weighted-average fair values of options

Date of Vesting	1 Year	2 Years	3 Years	4 Years	5 Years
Weighted-average exercise prices	64	156	156	156	156
Weighted-average fair value of options	269	195	208	219	227

c) Reconciliation of outstanding stock options :

Particulars	31 March 26	31 March 25
	No. of options	No. of options
a) Outstanding at 1 April	498,750	570,000
b) Granted	-	-
c) Vested	51,250	63,875
d) Forfeited	-	-
e) Expired	32,775	14,175
f) Exercised	45,650	57,075
g) Outstanding at 31 March (g = a-d-e-f)	420,325	498,750
Exercisable at 31 March	-	-

d) Expense recognized in the Standalone Statement of Profit or Loss :

	31 March 26	31 March 25
AETL ESOS 2022	17.94	30.13
Total expense recognized in 'employee benefits'	17.94	30.13

43A EMPLOYEE SHARE-BASED PAYMENT PLANS

a) Description of share-based payment arrangements:

As at 31 March 26, the Company has the following share-based payment arrangements for employees.

'AETL Employee Stock Option Scheme 2022'- ("AETL ESOS 2022")

AETL ESOS 2022, 2nd grant provides for the grant of 512,500 stock options to specified employees on 27 March 25. The AETL ESOS 2022 had been formulated by Board of Directors which was further adopted by Nomination and Remuneration committee. The Shareholders approved scheme on 19 August 2022. The plan entitles specified employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the plan, holders of vested options are entitled to purchase one equity share of face value of Rs 2 each for every option as per the scheme.

512,500 Equity Shares of Face Value of Rs. 2 each are reserved for issue under AETL Employee Stock Option Scheme 2022 (AETL ESOS 2022)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

The terms and conditions related to the grant of the share options are as follows:

Employees entitled	Specified employees
Number of options	512,500
Scheme formulation	
Category I	First 500 Options at the Exercise Price of ₹ 2 /- each
Category II	Employees who have been granted Options upto 5,000; First 500 Options at ₹ 2 /- each and remaining Options at ₹ 166 /- each
Category III	Employees who have been granted Options more than 5,000; First 500 Options at ₹ 2 /- each, Next 4,500 Option at ₹ 166 /- each and remaining Options at ₹ 221 /- each
Vesting conditions	
Category I	After 1 year of the date of grant
Category II	First 500 options after 1 year of the date of grant and
	for balance options
	After 1 year of the date of grant 5% vesting
	After 2 years of the date of grant 10% vesting
	After 3 years of the date of grant 20% vesting
	After 4 years of the date of grant 30% vesting
	After 5 years of the date of grant 35% vesting
Category III	After 1 year of the date of grant 5% vesting
	After 2 years of the date of grant 10% vesting
	After 3 years of the date of grant 20% vesting
	After 4 years of the date of grant 30% vesting
	After 5 years of the date of grant 35% vesting
Contractual life of options	Graded vesting over 5 years

b) **Measurement of fair value :**

The fair values are measured based on the Black-Scholes-option valuation model. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measurement of the fair values at grant date and measurement date of the stock options were as follows.

Particulars					
Vesting	**1 Year**	**2 Years**	**3 Years**	**4 Years**	**5 Years**
Share price at grant date (Face value - Rs 2 per share)	Rs. 278.90	Rs. 278.90	Rs. 278.90	Rs. 278.90	Rs. 278.90
Exercise price (Face value - Rs 2 per share)					
Expected volatility (weighted average)	38.44%	35.06%	35.64%	35.76%	41.78%
Expected life (weighted average)	1.25 years	2.25 years	3.25 years	4.25 years	5.25 years
Expected dividend	0.68%	0.78%	0.70%	0.62%	0.58%
Risk-free interest rate (based on government bond)	6.24% p.a.	6.21% p.a.	6.20% p.a.	6.21% p.a.	6.22% p.a.

Weighted-average exercise prices and weighted-average fair values of options

Date of Vesting	**1 Year**	**2 Years**	**3 Years**	**4 Years**	**5 Years**
Weighted-average exercise prices	81	184	184	184	184
Weighted-average fair value of options	205	125	136	146	162

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

c) **Reconciliation of outstanding stock options :**

Particulars	**31 March 26**	**31 March 25**
	No. of options	**No. of options**
a) Outstanding at 1 April	512,500	-
b) Granted	-	512,500
c) Vested	53,225	-
d) Forfeited	-	-
e) Expired	18,000	-
f) Exercised	19,000	-
g) Outstanding at 31 March (g = a-d-e-f)	475,500	512,500
Exercisable at 31 March	34,225	-

d) **Expense recognized in the Standalone Statement of Profit or Loss :**

	31 March 26	**31 March 25**
AETL ESOS 2022	24.84	0.28
Total expense recognized in 'employee benefits'	24.84	0.28

44 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total borrowings (including lease liabilites) less cash and bank balances.

	31 March 26	**31 March 25**
Non-current borrowings and lease liabilities	10.33	19.69
Current borrowings and lease liabilities	9.17	7.95
Gross debt	19.50	27.64
Less - Cash and cash equivalents	18.94	56.04
Less - Other bank deposits	4.51	2.28
Adjusted net debt	(3.96)	(30.68)
Total equity	7,096.23	6,293.41
Adjusted net debt to equity ratio * ^	0.00%	0.00%

*At the end of current financial year the Company has excess cash and cash equivalent over gross debt.

^ Percentage is less than 0.00% hence it is restricted to 0.00%.

45 PAYMENTS TO AUDITORS (EXCLUDING GST)

	Year ended 31 March 26	**Year ended 31 March 25**
Statutory audit	2.50	2.26
Limited review	1.60	1.49
Certification work	-	0.10
Reimbursement of expenses	0.59	0.64
	4.69	4.49

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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(₹ in million)

46 RESEARCH AND DEVELOPMENT

The Company has incurred the following expenditure on research and development activities:

	Year ended 31 March 26	Year ended 31 March 25
Revenue expenditure		
Laboratory expenses and consumables	**32.97**	31.93
Employee benefit expenses	**125.65**	105.55
Legal and professional charges	**10.70**	9.86
Technical services	**138.92**	113.92
Electricity	**13.91**	15.20
Rent, rates and taxes	**3.23**	2.34
Repairs and maintenance	**10.12**	11.51
Travelling and conveyance expenses	**2.93**	2.47
Other expenses	**6.37**	3.74
	344.80	**296.52**
Capital expenditure		
Plant and equipment	**9.91**	24.69
Furniture and fixtures	**0.15**	0.39
Office equipment	**0.31**	2.82
Computer and data processing equipment	**0.75**	1.14
Vehicles	**-**	2.68
Building	**-**	0.15
	11.12	**31.87**

47 CORPORATE SOCIAL RESPONSIBILITY

Particulars	For the year ended 31 March 26	For the year ended 31 March 25
1) amount required to be spent by the company during the year	22.50	19.24
2) amount of expenditure incurred *	22.50	19.24
3) shortfall at the end of the year	-	-
4) total of previous years shortfall	-	-
5) reason for shortfall	Not applicable	Not applicable
6) nature of CSR activities	Promotion of education, Healthcare and skill development	Promotion of education, Healthcare and skill development
7) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
8) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. #	22.67	10.77

*The Committee of Corporate Social Responsibility had approved the budget of Rs 22.50 million (31 March 25: 19.24 million), the Company contributes to the various projects undertaken by various organisations. During the year the amount spent is Rs 0.34 million (31 March 25: Rs 7.97 million) on the ongoing projects and Rs 1.64 million towards current year project (31 March 25: Rs 0.5 million). The Company has deposited the balance unspent amount of Rs 20.52 million (31 March 25: Rs 10.77 million) in a separate bank account.

includes provision towards unspent commitment of Rs 2.15 million pertaining to financial year 24-25 and balance amount of Rs 20.52 pertains to financial year 25-26.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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(₹ in million)

48 INVESTMENT IN ADVANCED ENZYMES EUROPE B.V.

On 19 December 24, the Company invested Rs 478.18 million in Advanced Enzymes Europe B.V. ('AEEBV') (wholly owned subsidiary) by way of subscription to 3,623,163 equity shares. The value per equity share is EUR 1.48 and the face value of EUR 1 per share. Pursuant to this investment, the Company now holds 7,900,000 equity shares of AEEBV and the Company continues to be 100% shareholder of AEEBV.

49 PROPOSED DIVIDEND

The Board of Directors recommended a final dividend for the financial year 25-26 of Rs. 1.35/- (31 March 25: Rs. 1.20) per equity share of the face value of Rs. 2/- each, and the same will be paid after approval of shareholders in the Annual General Meeting of the Company.

50 RATIOS

	Particulars			Ratio as on			
Sr. No.	Ratio	Numerator	Denominator	31 March 26	31 March 25	Variation	Reason (If variation is more than 25%)
1	Current Ratio	Total current assets	Total current liabilities	4.06	5.25	-22.74%	NA
2	Debt-Equity Ratio #	Long term and short term borrowings	Total equity	-	-	0.00%	NA
3	Debt Service Coverage Ratio	Net Operating Income	Debt Service	140.74	118.27	18.99%	NA
4	Return on Equity Ratio	Profit after tax	Shareholder's Equity	18.57%	16.27%	14.13%	NA
5	Inventory Turnover Ratio	Cost of Goods Sold ('COGS')	Average Inventory of Raw materials, Work-in-progress and Finished goods	1.83	1.55	18.40%	NA
6	Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	5.25	4.58	14.54%	NA
7	Trade Payables Turnover Ratio	COGS + Other expenses	Average Trade Payables	7.29	9.60	-24.03%	NA
8	Net Capital Turnover Ratio	Revenue from operations	Average Working Capital	1.90	1.87	1.72%	NA
9	Net Profit Ratio	Net Profit	Net Sales	29%	29%	-0.12%	NA
10	Return on Capital Employed	EBIT	Capital Employed	22%	19%	19.37%	NA
11	Return on Investment	Net Profit	Net Investment	20%	17%	16.28%	NA

Figures are below 0.01, hence disclosed as Rs 0.00

51 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	31 March 26	31 March 25
Contingent liabilities		
Pertains to income tax demand/ matters on account of deductions/ disallowances for earlier years, pending for appeals consequent to orders passed against the Company/ demands raised by the Department under Income Tax Act, 1961. Amounts paid and adjusted there against and included under Income tax asset Rs 144.20 million (31 March 25: Rs. 144.20 million).	49.67	49.64
Pertains to Excise Duty and Service Tax demand raised by Commissioner of Central Excise, Customs and Service tax on account of inadmissible CENVAT credit, incorrect product classification and service tax levy on directors' remuneration for various periods. Amounts paid there against and included under note 19 'Other current assets'.	13.71	27.58
	63.38	**77.22**

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(₹ in million)

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its standalone financial statements. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

	31 March 26	31 March 25
Commitments		
Estimated amount of commitments remaining to be executed		
- Capital (net of advances)	388.41	122.62
	388.41	**122.62**

52 THE CODE ON SOCIAL SECURITY 2020

On November 21, 25, the Government of India notified the four Labour Codes – the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 – consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and Frequently Asked Questions (FAQs) to enable assessment of the financial impact due to changes in regulations.

The Company has assessed and disclosed the incremental impact of these changes on the basis of current remuneration structure. The current assessment is based on the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact under "Exceptional Items" in the standalone financial statements for the year ended 31 March 26.

The incremental impact consisting of gratuity of Rs. 38.58 million in the standalone financial statements primarily arose due to change in wage definition. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would accordingly take necessary steps for compliance thereof and also provide appropriate accounting effect on the basis of such developments, as needed.

53 SHARE APPLICATION MONEY PENDING ALLOTMENT

Share Application money pending allotment represents exercie money received from employees pursuant to exercise of vested stock options under the Company's Employee Stock Option Scheme ('ESOS' or "AETL ESOS 2022") - 2nd grant, against which equity shares are pending allotment as at 31 March 26. The Company has received applications for allotment of equity shares, the details of which are below:

(a) 7,375 equity shares of Rs 2 each issued at par;

(b) 4,900 equity shares of Rs 2 each at premium of Rs 164 per share; and

(c) 6,725 equity shares of Rs 2 each at premium of Rs 219 per share.

The allotment is expected to be completed within the period prescribed under the applicable provisions of the Companies Act 2013 and terms of the scheme.

The Company has sufficient authorised share capital to cover the proposed allotment of shares.

54 DISCLOSURE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

a) The details of investment and loan under Section 186 of the Act read with the Companies (Meetings of the board and its Powers) Rules, 2014 are as follows:

	As at 31 March 24	Investment during the year	Investment reversed during the year	As at 31 March 25
Advanced Bio-Agro Tech Limited	0.60	-	-	0.60
Advanced Enzytech Solutions Limited	1.57	-	-	1.57
Advanced Enzymes USA, Inc.	532.77	1.07	-	533.84
JC Biotech Private Limited	851.35	0.65	-	852.00
Advanced Enzymes Europe B.V.	481.22	480.52	-	961.74
Saiganesh Enzytech Solutions Private Limited	59.98	-	-	59.98
Scitech Specialities Private Limited	316.26	-	-	316.26

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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(₹ in million)

	As at 31 March 25	Investment during the year	Investment reversed during the year	As at 31 March 26
Advanced Bio-Agro Tech Limited	0.60	-	-	0.60
Advanced Enzytech Solutions Limited	1.57	-	-	1.57
Advanced Enzymes USA, Inc.	533.84	1.19	-	535.03
JC Biotech Private Limited	852.00	1.83	-	853.83
Advanced Enzymes Europe B.V.	961.74	2.79	-	964.53
Saiganesh Enzytech Solutions Private Limited	59.98	-	-	59.98
Scitech Specialities Private Limited	316.26	-	-	316.26
Advanced Nutrazyme Private Limited	-	0.50	-	0.50

55 OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company

(Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(ix) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(x) The Company has not entered into any scheme of arrangement which has an accounting impact in the current or previous financial year.

(xi) Title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective entities in the Company.

56 Previous year amounts have been regrouped / reclassified wherever necessary.

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

Amrish Vaidya
Partner
Membership No: 101739

Place: Thane
Date: 9 May 26

For and on behalf of the Board of
Advanced Enzyme Technologies Limited

Mukund Kabra
Wholetime Director
DIN : 00148294
Place: California, USA

Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik

Sanjay Basantani
Company Secretary
Membership No: A19637
Place: Thane
Date: 9 May 26

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 26

INDEPENDENT AUDITOR'S REPORT

To the Members of Advanced Enzyme Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Advanced Enzyme Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate & consolidated financial statements of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, and of their consolidated state of affairs of the Group as at March 31, 2026, of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India, and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	Refer to Note 5(a) on Revenue Recognition under Material Accounting Policies and Note 30 on Revenue from Contracts with Customers in the consolidated financial statements. Revenue is a key driver of the Group's profitability and is therefore susceptible to misstatement. Revenue from sale of products is recognised when control of the products being sold is transferred to the customer. Revenue from providing services is recognised in the accounting period in which the services are rendered. Accordingly, the timing of revenue recognition has a direct impact on the Group's reported performance. We have identified revenue recognition as a key audit matter due to the presumed risk of fraud, particularly in relation to the overstatement of revenue at the reporting date. This may arise from the recognition of revenue for transactions where control of goods has not been transferred to customers as at year-end, or where service revenue has been recognised in excess of the stage of completion, including instances where the timing of transfer of control or assessment of progress toward completion may have been inappropriately altered.	Our audit procedures in respect of this area included: 1. Obtained an understanding of the management's process and controls around revenue recognition. 2. Evaluated and tested the design and operating effectiveness of controls addressing this risk. 3. In respect of components audited by component auditors, we sent group audit instructions highlighting the identified risk relating to revenue recognition and the specific audit procedures to be performed in this regard. We evaluated the professional competence and independence of the component auditors and assessed the adequacy of the audit work performed by them through review of their audit findings, conclusions and reporting submitted to us for the purpose of the group audit in accordance with the requirements of SA 600, Using the Work of Another Auditor. 4. Verified, on a sample test-check basis, revenue transactions recorded during the year and around the reporting date and assessed whether revenue has been recognised in accordance with Ind AS 115 by performing the following procedures: • Reviewed underlying customer contracts, purchase orders and sales arrangements to identify performance obligations and assess the basis of revenue recognition; • Examined supporting documents such as invoices, delivery challans and lorry receipts, where applicable, to determine whether control of goods had passed to the customers at the time revenue was recognised; • Tested journal entries and manual adjustments relating to revenue, with particular focus on year-end entries, to identify any unusual or potentially inappropriate revenue recognition. 5. Performed substantive cut-off testing for revenue transactions recognised immediately before and after the year-end, including review of supporting dispatch and delivery documentation and, where applicable, consideration of reporting received from component auditors, to evaluate whether revenue had been recorded in the appropriate accounting period. 6. Performed Analytical procedures on revenue recognized during the year to identify and inquire on unusual variances, if any and getting the reasons for variances confirmed from the management. 7. Assessed the valuation and accuracy of trade receivables and sales returns/discount provisions, where applicable, by examining underlying supporting documentation and subsequent adjustments. 8. Assessed the adequacy and appropriateness of the disclosures made in the financial statements in respect of revenue recognition in accordance with Ind AS 115 and the applicable financial reporting framework.
2	Refer Note 50 of the Consolidated Financial Statements. As at March 31, 2026, the carrying amount of goodwill reflected in Advanced Enzyme Technologies Limited's ('AETL's) consolidated financial statements amounts to INR 3,694.60 million, relating to the following entities - **Entity** — **Amount (in INR Mn)** Advanced Enzymes USA, Inc. (Consolidated) — 3,206.13 Advanced Enzyme Europe B.V. — 345.56 J.C. Biotech Private Limited — 123.65 Other Subsidiaries — 19.26 **Total** — **3,694.60** Management of AETL has performed an impairment assessment in relation to such Goodwill as per the requirements of Ind AS 36 "Impairment of Assets" and has determined that no impairment provision is to be considered in the current year. In regard to the impairment testing on its goodwill, the determination of the fair value of the subsidiaries requires management to estimate significant assumptions including future revenue and terminal growth rates apart from margin assumptions and discount rates to estimate future cash flows. Given the extent of estimation uncertainty and the materiality of the carrying value of goodwill, we have identified the impairment assessment of goodwill as a key audit matter.	Our audit procedures in relation to the impairment assessment of Goodwill included and were not limited to the following: 1. Obtained an understanding from the Management of the Holding Company with respect to policies and procedures followed by the Management with respect to impairment assessment of Goodwill appearing in the consolidated financial statements. 2. Reviewed valuation working provided by the management of the Holding Company. 3. Assessed the reasonableness of inputs used in valuation report provided by management for the future revenue and margin projections, the accuracy of the cash flow forecasts and analyzed the underlying key assumptions, including discounting rates and terminal growth rates. 4. Performed sensitivity analysis on key assumptions used by management in the impairment assessment. 5. Involved our internal experts to assess the consistency and reasonableness of Holding Company's valuation methodology and assumptions, applied, in order to assess related impairment on Goodwill. 6. In respect of components audited by component auditors, we communicated group audit instructions highlighting this risk relating and the specific audit procedures to be performed in this regard. We further assessed the adequacy of the audit work performed by them through review of their audit findings, conclusions and reporting submitted to us for the purpose of the group audit in accordance with the requirements of SA 600, Using the Work of Another Auditor 7. Assessed the adequacy and appropriateness of the disclosures made in the Consolidated Financial Statements in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises of the information included in Holding Company's Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Holding Company's Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Holding Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and take necessary action under the relevant laws and regulations.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matter:

We did not audit the financial statements of thirteen subsidiaries, whose financial statements reflect total assets of ₹ 12,717.38 million as at March 31, 2026, total revenues of ₹4,722.85 million, net profit (including other comprehensive income) of ₹ 1,950.35 million and net cash inflows amounting to ₹ 182.40 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate and Consolidated Financial Statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 53 to the consolidated financial statements.

      ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended March 31, 2026.

      iv. a. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 57 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      b. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 57 to consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

      v. a. Based on our examination and based on the other auditor's reports of subsidiaries incorporated in India whose financial statements have been audited under the Act, interim dividend declared and paid by the Holding Company and its subsidiaries incorporated in India during the year and until the date of this audit report are in accordance with section 123 of the Act.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

b. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

c. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer note 58 to the consolidated financial statements)

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding company and subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with.

In our opinion, according to information, explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters section above, the remuneration paid or provided by the Holding Company and its subsidiary companies incorporated in India to its respective Directors is in accordance with the provisions of this section 197 read with Schedule V of the Act and the rules thereunder.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Holding company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Sr. No	Name of the Company	CIN	Type of Company	Clause number of the CARO Report which is qualified or Adverse
1.	Scitech Specialities Private Limited	U85190MH2007PTC175484	Subsidiary	(ii)(b)

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 26101739YHHSTC7988
Place: Mumbai
Date: May 09, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S

REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ADVANCED ENZYME TECHNOLOGIES LIMITED

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 26101739YHHSTC7988
Place: Mumbai
Date: May 09, 2026

ANNEXURE B TO INDEPENDENT AUDITORS'

REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ADVANCED ENZYME TECHNOLOGIES LIMITED

[Referred to in paragraph f under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Advanced Enzyme Technologies Limited on the Consolidated Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Advanced Enzyme Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and subsidiary companies which are companies incorporated in India, and to the best of our information and according to the explanations given to us, have in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors of the Group are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 26101739YHHSTC7988
Place: Mumbai
Date: May 09, 2026

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 26

(₹ in million)

Particulars	Note	As at 31 March 26	As at 31 March 25
I. ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	6A	2,758.32	2,929.41
(b) Capital work-in-progress	6B	511.69	216.91
(c) Goodwill	6C	3,694.60	3,334.40
(d) Other intangible assets	6D	469.22	522.91
(e) Intangible assets under development	6E	-	0.17
(f) Financial assets			
(i) Investments	7	0.64	0.65
(ii) Loans	8	0.96	0.65
(iii) Other financial assets	9	96.84	99.19
(g) Deferred tax assets (net)	40	48.78	101.92
(h) Income tax asset (net)		230.33	177.69
(i) Other non-current assets	10	140.49	30.88
Total non-current assets		**7,951.87**	**7,414.78**
2) Current assets			
(a) Inventories	11	1,772.77	1,573.05
(b) Financial assets			
(i) Investments	12	5,838.30	4,802.58
(ii) Trade receivables	13	1,450.20	1,153.99
(iii) Cash and cash equivalents	14	1,087.55	942.25
(iv) Bank balances other than (iii) above	15	71.76	134.60
(v) Loans	16	2.43	1.03
(vi) Other financial assets	17	86.25	80.48
(c) Other current assets	18	126.48	110.71
Total current assets		**10,435.74**	**8,798.69**
Total assets		**18,387.61**	**16,213.47**
II. EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	19	223.85	223.76
(b) Other equity	20	16,095.72	13,984.87
Equity attributable to the owners of the parent		**16,319.57**	**14,208.63**
Non-controlling interest	49	**511.65**	**478.07**
Total equity		**16,831.22**	**14,686.70**
2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	78.87	91.83
(ii) Lease liability	22	37.69	117.34
(b) Provisions	23	53.88	18.79
(c) Deferred tax liabilities (net)	40	318.73	336.34
Total non-current liabilities		**489.17**	**564.30**
3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	126.41	123.53
(ii) Lease liability	25	77.12	60.80
(iii) Trade payables	26		
a) total outstanding dues of micro enterprises and small enterprises		63.91	42.93
b) total outstanding dues other than micro enterprises and small enterprises		335.68	151.89
(iv) Other financial liabilities	27	285.08	243.52
(b) Other current liabilities	28	104.94	85.28
(c) Provisions	29	63.94	208.60
(d) Current tax liabilities (net)		10.14	45.92
Total current liabilities		**1,067.22**	**962.47**
Total equity and liabilities		**18,387.61**	**16,213.47**
The accompanying notes are an integral part of these consolidated financial statements	1 - 59		

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

Amrish Vaidya
Partner
Membership No: 101739

Place: Thane
Date: 9 May 2026

For and on behalf of the Board of
Advanced Enzyme Technologies Limited

Mukund Kabra
Wholetime Director
DIN : 00148294
Place: California, USA

Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik

Sanjay Basantani
Company Secretary
Membership No: A19637
Place: Thane
Date: 9 May 2026

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 26

(₹ in million)

	Note	Year ended 31 March 26	Year ended 31 March 25
Income			
Revenue from operations	30	7,457.57	6,369.10
Other income	31	348.32	330.41
Total income		**7,805.89**	**6,699.51**
Expenses			
Cost of materials consumed	32	1,943.12	1,619.56
Purchases of stock-in-trade #	33	0.00	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	34	(13.61)	(100.95)
Employee benefits expense	35	1,622.86	1,415.42
Finance costs	36	26.28	35.57
Depreciation and amortisation expense	37	400.93	365.56
Other expenses	38	1,614.54	1,490.71
Total expenses		**5,594.12**	**4,825.87**
Profit before exceptional items and tax		**2,211.77**	**1,873.64**
Exceptional items	39	(113.59)	-
Profit before tax		**2,325.36**	**1,873.64**
Tax expense	40		
Current tax		565.68	495.59
Minimum Alternate Tax (MAT) credit entitlement		3.15	(2.44)
Deferred tax (credit)/ charge		21.67	38.57
Tax adjustment for earlier years		(1.22)	2.18
Total tax expense		**589.28**	**533.90**
Profit for the year		**1,736.08**	**1,339.74**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit credit/(charge)		13.40	(6.78)
(ii) Income tax related to items that will not be reclassified to profit or loss		(3.37)	1.77
B (i) Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations		938.08	193.23
(ii) Income tax related to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		**948.11**	**188.22**
Share of Other Comprehensive Income/(Loss) attributable to Non-Controlling Interest		0.69	(0.04)
Other Comprehensive Income for the year attributable to owners of the parent		**947.42**	**188.26**
Net profit attributable to:			
Owners of the parent		1,687.19	1,311.15
Non-Controlling Interest		48.89	28.59
		1,736.08	**1,339.74**
Other comprehensive income attributable to:	-		
Owners of the parent		947.42	188.26
Non-Controlling Interest		0.69	(0.04)
		948.11	**188.22**
Total Comprehensive Income attributable to:			
Owners of the parent		2,634.61	1,499.41
Non-Controlling Interest		49.58	28.55
		2,684.19	**1,527.95**
# Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00			
Earnings per equity share (face value Rs 2 each fully paid up)	47		
Basic		15.08	11.72
Diluted		15.06	11.71
The accompanying notes are an integral part of these consolidated financial statements	1-59		

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

Amrish Vaidya
Partner
Membership No: 101739

Place: Thane
Date: 9 May 2026

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Membership No: A19637
Place: Thane
Date: 9 May 2026

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 2026

Statement of Changes in Equity (SOCIE)

As at 31 March 26

(₹ in million)

(a) Equity share capital (refer note 19)

	As at 31 March 26		As at 31 March 25	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	111,881,150	223.76	111,824,075	223.65
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	111,881,150	223.76	111,824,075	223.65
Changes in equity share capital during the year	45,650	0.09	57,075	0.11
Balance at the end of the year	**111,926,800**	**223.85**	**111,881,150**	**223.76**

(b) Other equity (refer note 20)

Particulars	Attributable to owners of the parent								Total attributable to owners of the parent	Attributable to Non-Controlling Interest	Total Equity
	Reserves and Surplus										
	Securities Premium account	Capital Reserve	General reserve	Retained earnings	Non controlling interest reserve	Employee stock option reserve	Foreign currency translation reserve	Share Application Money			
Balance at 1 April 2024	821.31	6.74	38.77	10,794.91	(122.39)	30.31	1,447.98	-	13,017.63	469.52	13,487.15
Profit for the year	-	-	-	1,311.15	-	-	-	-	1,311.15	28.59	1,339.74
Other comprehensive income for the year	-	-	-	(4.97)	-	-	193.23	-	188.27	(0.04)	188.22
Total comprehensive income for the year	-	-	-	1,306.18	-	-	193.23	-	1,499.41	28.55	1,527.96
Add / (Less): Exercise of Share options	18.91	-	-	-	-	(15.24)	-	-	3.67	-	3.67
Less: Options lapsed during the year	-	-	-	-	-	(2.34)	-	-	(2.34)	-	(2.34)
Less: Dividends paid	-	-	-	(570.30)	-	-	-	-	(570.30)	(20.00)	(590.30)
Add : Options granted during the year (refer note 46 & 46A)	-	-	-	-	-	36.80	-	-	36.80	-	36.80
Add: Share application money received	-	-	-	-	-	-	-	3.78	3.78	-	3.78
Less: Money utilised for issue of shares	-	-	-	-	-	-	-	(3.78)	(3.78)	-	(3.78)
Balance at 31 March 25	840.22	6.74	38.77	11,530.79	(122.39)	49.53	1,641.21	-	13,984.87	478.07	14,462.94
Profit for the year	-	-	-	1,687.20	-	-	-	-	1,687.20	48.89	1,736.09
Other comprehensive income for the year	-	-	-	9.33	-	-	938.08	-	947.41	0.69	948.10
Total comprehensive income for the year	-	-	-	1,696.53	-	-	938.08	-	2,634.61	49.58	2,684.19
Add / (Less): Exercise of Share options	15.96	-	-	-	-	(8.88)	-	-	7.08	-	7.08
Add: Share application money received	-	-	-	-	-	-	-	9.53	9.53	-	9.53
Less: Money utilised for issue of shares	-	-	-	-	-	-	-	(7.22)	(7.22)	-	(7.22)
Less: Options lapsed during the year	-	-	-	-	-	(7.29)	-	-	(7.29)	-	(7.29)
Less: Dividends paid	-	-	-	(581.78)	-	-	-	-	(581.78)	(16.00)	(597.78)
Add : Options granted during the year (refer note 46 & 46A)	-	-	-	-	-	55.92	-	-	55.92	-	55.92
Balance at 31 March 26	856.18	6.74	38.77	12,645.54	(122.39)	89.28	2,579.29	2.31	16,095.72	511.65	16,607.37

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

Amrish Vaidya
Partner
Membership No: 101739

Place: Thane
Date: 9 May 2026

For and on behalf of the Board of
Advanced Enzyme Technologies Limited

Mukund Kabra
Wholetime Director
DIN : 00148294
Place: California, USA
Date: 9 May 2026

Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik
Date: 9 May 2026

Sanjay Basantani
Company Secretary
Membership No: A19637
Place: Thane
Date: 9 May 2026

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 2026

Consolidated Cashflow Statement

For the year ended 31 March 26

(₹ in million)

		Year ended 31 March 26	Year ended 31 March 25
A.	**Cash flows from operating activities**		
	Profit before tax	2,325.36	1,873.64
		2,325.36	**1,873.64**
	Adjustments for non-cash transactions		
	Depreciation and amortization expense	400.93	365.56
	Prepaid lease amortisation	0.18	0.18
	Property, plant and equipments written off	3.63	-
	(Profit)/ Loss on sale of Property, plant and equipments	1.04	(2.17)
	Allowances for bad and doubtful trade receivables	(9.11)	9.25
	Bad and doubtful trade receivables written off	3.64	6.43
	Provision for doubtful trade receivables written back	-	(0.38)
	Employee stock compensation expense	48.60	34.46
	Excess provision written back	(161.35)	(1.98)
	Sundry balances written back	0.02	(0.01)
	Fair valuation of investments in marketable securities	(96.57)	(82.25)
	Provision for inventory	12.77	2.08
	Provision for investments	-	1.01
	Unrealized foreign exchange gain	(4.26)	(0.84)
		2,524.88	**2,204.98**
	Items considered separately		
	Interest income	(186.64)	(96.72)
	Interest expenses	26.28	35.75
		2,364.52	**2,144.01**
	Operating profit before working capital changes		
	(Increase) / Decrease in Non-current loans	(0.96)	(0.44)
	(Increase) / Decrease in Other non-current financial assets	(1.28)	(1.27)
	(Increase) / Decrease in Other non-current assets	5.98	3.02
	(Increase) / Decrease in Inventories	(162.47)	(77.97)
	(Increase) / Decrease in Trade receivables	(258.64)	(177.29)
	(Increase) / Decrease in Current loans	(1.40)	(0.02)
	(Increase) / Decrease in Other current financial assets	(5.58)	113.73
	(Increase) / Decrease in Other current assets	(13.68)	18.20
	(Decrease) / Increase in Provisions	58.47	10.48
	(Decrease) / Increase in Trade payables	194.72	34.87
	(Decrease) / Increase in Current financial liabilities- others	27.17	(13.15)
	(Decrease) / Increase in Other current liabilities	12.18	(32.46)
	Cash generated from operating activities	**2,219.03**	**2,021.71**
	Income taxes paid (net of refund)	(651.27)	(596.74)
	Net cash generated from operating activities	**1,567.76**	**1,424.97**
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(522.30)	(338.08)
	Proceeds from sale of property, plant and equipments	4.47	5.27
	Purchase of intangible assets	(1.47)	(9.73)
	(Purchase) / Proceeds from sale of current investments (net)	(472.54)	(590.42)
	Interest received	182.09	99.43
	(Increase) in bank deposits with maturity more than 3 months but less than 12 months	(12.08)	(1.94)
	(Increase) / Decrease in bank deposits with maturity of more than 12 months	80.53	(55.54)
	Net cash (used in) investing activities	**(741.30)**	**(891.01)**

Consolidated Cashflow Statement (Contd.)

For the year ended 31 March 26

(₹ in million)

		Year ended 31 March 26	Year ended 31 March 25
C.	**Cash flows from financing activities**		
	Proceeds from issue of share capital including securities premium	9.53	3.78
	(Repayment)/proceeds from long-term borrowings (net)	(12.86)	22.30
	(Repayment)/proceeds from short-term borrowings (net)	2.78	(58.08)
	Interest paid	(24.21)	(33.42)
	Lease liability paid	(81.12)	(69.72)
	Dividends paid	(597.78)	(590.30)
	Net cash (used in) financing activities	**(703.66)**	**(725.44)**
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**122.80**	**(191.48)**
	Cash and cash equivalents as at the beginning of the year	942.25	1,137.51
	Effect of exchange rate changes on cash and cash equivalents held	22.50	(3.78)
	Cash and cash equivalents as at the end of the year*	**1,087.55**	**942.25**
	*** Composition of cash and cash equivalents (refer note 14)**		
	Cash in hand (including cheques on hand)	3.20	0.96
	Balance with banks :		
	Current account	494.43	266.14
	Fixed deposit account (with maturity less than 3 months)	24.07	7.65
	Money market deposits	565.85	667.50
		1,087.55	**942.25**

Reconciliation between the opening and closing balances in the consolidated balance sheet for liabilities arising from financing activities

Particulars	Notes	31 March 25	Cashflows	Non cash changes				31 March 26
				Acquisitions	Foreign exchange movement	Fair value change	Other adjustments	
Non-current borrowings	21	91.83	(12.86)	-	(0.10)	-	-	78.87
Cash credit, packing credit, working capital demand loans and deferred sales tax liabilities	24	123.53	2.78	-	0.10	-	-	126.41
Total liabilities from financing		**215.36**	**(10.08)**	**-**	**0.00**	**-**	**-**	**205.28**

The accompanying notes are an integral part of these consolidated financial statements

Notes to the consolidated cash flow statement

1) The cash flow statement has been prepared under indirect method as set out in Ind AS 7, 'Statement of cashflows'.

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

For and on behalf of the Board of
Advanced Enzyme Technologies Limited

Amrish Vaidya
Partner
Membership No: 101739

Mukund Kabra
Wholetime Director
DIN : 00148294
Place: California, USA

Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik

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Company Secretary
Membership No: A19637
Place: Thane
Date: 9 May 2026

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980
Place: Thane
Date: 9 May 2026

Place: Thane
Date: 9 May 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

1 OVERVIEW OF THE COMPANY

Advanced Enzyme Technologies Limited (herein referred to as 'the Parent Company' or the 'the Company') together with its subsidiaries (together referred to as 'the Group') carries on the business of manufacturing and sales of enzymes. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) via id ADVENZYMES and on BSE Limited (BSE) via Id 540025 on 1 August 2016. The registered office of the Company is Sun Magnetica, A wing, 5th Floor, Near LIC Service Road, Louiswadi, Thane (W), Maharashtra - 400604

2 BASIS OF PREPARATION

a Statement of compliance

These consolidated Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions and amendments as applicable.

These consolidated Ind AS financial statements were authorised for issue by the Group's Board of Directors on 9 May 2026.

All the assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Group has ascertained the operating cycle to be 12 months.

b Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

c Historical cost convention:

The Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instrument) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value

d Going concern

These consolidated financial statements are prepared on going concern basis.

3 USE OF ESTIMATES

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in accompanying Consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying Consolidated financial statements and reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March, 26 are as follows:

a. Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. The management estimates the useful lives of tangible assets similar to the useful life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

b. Recognition and measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. All assumptions are reviewed at each reporting date.

c. Provision for income tax and deferred tax assets

The Group uses judgements based on the relevant rulings in the areas of allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and unabsorbed depreciation can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

d. Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

e. Provision for expected credit losses (ECL) of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for Groupings of various customer segments that have similar loss patterns (i.e., by aging of receivables after considering letters of credit and other forms of security). The provision matrix is initially based on the Group's historical observed default rates. At every reporting date, the historical observed default rates are updated. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

f. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)."

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

g Share-based payment transactions

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds). Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 46 & 46A.

h. Right-of-use assets and lease liability

The Group has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

3A CHANGES IN ACCOUNTING STANDARDS

a. Amendments in accounting standards but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 26, there are no such standards which are notified but not yet effective.

b. Amendments in accounting standards notified in current year

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 26, MCA has notified a new Accounting Standard Ind AS 117 on Insurance Contracts and amendments to existing standards such as Ind AS 12 on Income Taxes Pillar-Two tax reforms, Ind AS 21 on The effects of changes in foreign exchange rates on lack of exchangeability, Ind AS 116 on Leases, Ind AS 107 on financial instruments - disclosures pertaining to Supplier Finance Arrangements and Ind AS 1 on Classification of Liabilities as Current or Non-current however these are not applicable to the Group.

4 PRINCIPLES OF CONSOLIDATION

a Business combinations

As part of its transition to Ind AS, the group has elected to apply Ind AS 103, Business Combinations, to only those business combinations that occurred on or after the transition date i.e 1 April 2016. In accordance with Ind AS 103, the group accounts for these business combinations using the acquisition method when control is transferred to the group. The consideration transferred for the business combination is measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are recognised in the consolidated statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the consolidated statement of profit and loss or OCI, as appropriate.

b Subsidiaries

Subsidiaries are entities controlled by the Parent Company, directly or indirectly. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Subsidiary companies considered in the Consolidated Financial Statements are as follows:

Name of the Company	Country of incorporation	% age voting interest held as at 31 March 26	% age voting interest held as at 31 March 25
i. Advanced Bio-Agro Tech Limited	India	60.00%	60.00%
ii. JC Biotech Private Limited	India	95.72%	95.72%
iii. Advanced Enzytech Solutions Limited	India	100.00%	100.00%
iv. Advanced Enzymes USA, Inc.	USA	100.00%	100.00%
v. Advanced Enzymes Europe B.V. (Wholly owned subsidiary)	Netherlands	100.00%	100.00%
vi. Evoxx Technologies GmbH (Wholly owned subsidiary of Advanced Enzymes Europe B. V.)	Germany	100.00%	100.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Name of the Company	Country of incorporation	% age voting interest held as at 31 March 26	% age voting interest held as at 31 March 25
vii. Cal India Foods International (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)	USA	100.00%	100.00%
vii. Advanced Supplementary Technologies Corporation (Wholly owned subsidiary of Advanced Enzymes USA, Inc.) ("AST")	USA	100.00%	100.00%
viii. Enzyme Innovation, Inc. (Wholly owned subsidiary of Cal India Foods International)	USA	100.00%	100.00%
ix. Starya Labs, Inc. (Wholly owned subsidiary of Advanced Enzymes USA, Inc.) (w.e.f. 09 December 2024)	USA	100.00%	Nil
x. Sci-Tech Specialties Private Limited	India	51.00%	51.00%
xi. Saiganesh Enzytech Solutions Private Limited	India	50.00%	50.00%
xii. Advanced Nutrazyme Private Limited	India	100%	Nil

c Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated statement profit or loss.

e Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

5 MATERIAL ACCOUNTING POLICIES:

The accounting policies set out below have been applied consistently to the periods presented in the Consolidated financial statements.

a. Revenue recognition

i. Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services. It is measured at transaction price (net of variable consideration on account of discounts and rebates offered by the Group as part of the contract) allocated to that performance obligation. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved. Revenue is accounted exclusive of Goods and Service Tax (GST).

Sale of products:

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer, on delivery to the customer or as may be specified in the contract.

ii. Revenue from sale of services:

The Group offers various services ranging from enzyme identification, enzyme optimisation, enzyme and process development, scale-up and production ender fixed price contracts.

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spent relative to the total expected labour hours.

iii. Export incentives received pursuant to the Duty Drawback Scheme and Merchandise Export from India Scheme are accounted on an accrual basis, to the extent it is probable that realization is certain.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

a.1 Other income

i. Interest income is recognised on a time proportionate basis, taking into account the amount outstanding and the rates applicable.

b. Property, plant and equipment and depreciation

Recognition and measurement

i. Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, non refundable duties and taxes, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving the purchase price. Interest on borrowings to finance acquisition of property, plant and equipment during qualifying period is capitalized.

ii. Leasehold improvements represent expenses incurred towards civil work and interior furnishings on the leased premises.

iii. Asset is eliminated from the Consolidated financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal of property, plant and equipment carried at cost are recognised in the Consolidated Statement of Profit and Loss.

iv. Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.

v. The Group has elected to continue with the carrying value of all its property, plant and equipment as recognized in the Consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Subsequent expenditure

vi. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

vii Depreciation on tangible fixed assets other than plant and equipment and residential flat included under buildings has been provided on Written Down Value method and on plant and equipment and on residential flat included under buildings on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use.

The estimated useful life of assets are as follows:

Particulars	*Estimated useful life*
Building	30 - 60 years
Plant and equipment	10 - 25 years
Furniture and fixture	3 - 10 years
Vehicles	8 years
Office equipments	5 years
Computer and data processing equipment	3 - 6 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

viii Leasehold improvements and leasehold land are amortized over the unexpired primary period of lease.

c. Intangible assets

i. Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.

ii. Costs relating to acquisition of technical know-how and software are capitalized as intangible assets. Further, the expenditure incurred towards product studies during the development of product dossiers are grouped under "Intangible assets under development" to the extent such expenditure meet the criteria of intangible asset.

iii. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

iv. An intangible asset is eliminated from the Consolidated financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

v. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Intangible assets are amortised over their estimated useful life on Straight Line Method as follows:

Particulars	*Estimated useful life*
Computer software	1-5 years
Website domain	3 years
Technical Knowhow	7 years
Customer relationship	10 years
Developed technologies	15-25 years
Rights and Licences	10-15 years
Product Dossiers	10 years
Trade name	7 years

d. Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

e. Foreign currency

Foreign currency transactions

i. Initial recognition - Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

ii. Subsequent measurement- Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in consolidated statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

iii. Exchange differences - All exchange differences arising on settlement/conversion on foreign currency transactions are included in the consolidated statement of Profit and Loss in the period in which they arise.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Indian rupee at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian rupee at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income (OCI) and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

f. Share based Compensation:

Employees Stock Option Plans ("ESOPs"):

Equity-settled plans are accounted at fair value as at the grant date. The fair value of the share-based option is determined at the grant date using a market-based option valuation model (Black Scholes Option Valuation Model). The fair value of the option is recorded as compensation expense amortized over the vesting period of the options, with a corresponding increase in Reserves and Surplus under the head "Employee Stock Option account". On exercise of the option, the proceeds are recorded as share capital.

The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of Profit and Loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

g. Inventories

i. Inventories of raw materials, packing materials, consumables, finished goods and work in process are valued at lower of cost or net realizable value on an item-by-item basis.

ii. Cost of raw materials, consumables and packing materials is determined on weighted average basis. Cost of finished goods and stock in process is determined by considering materials, labour costs, conversion costs, including an appropriate share of fixed production overheads based on normal operating capacity and other related costs incurred in bringing the inventories to their present condition and location.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

h. Employee benefits

Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. The short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

i. **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group contributes to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services.

Superannuation benefits, a defined contribution plan, has been funded with Life Insurance Corporation of India and the contribution is charged to Statement of profit and loss, when the contribution to the Fund is due.

For the entities incorporated in U.S.A., the companies contributed towards the persion cum retirement benefit plan in accordance with 401(k) of the Internal Revenue Code and the contribution paid or payable is recognised as an expense in the period in which the employee renders services.

ii. **Defined benefit plans**

The Group provides for Gratuity benefit and Compensated Absences, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations are carried out at the balance sheet date. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. The gratuity benefit and compensated absences scheme is funded with the Life Insurance Corporation of India (LIC).

The short term provision for compensated absences has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the Group's policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

i. Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and Minimum Alternate Tax (MAT) credit entitlement.

Current tax

Current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) under the provisions of Income Tax Act, 1961 is recognized as current tax in the the consolidated statement of Profit and Loss. The Group recognizes MAT credit available as an asset only when it is probable that the future economic benefit associated with it will flow to the Group i.e. the Group will pay normal income tax during the period for which MAT Credit is allowed to be carried forward. In the year in which the Group recognizes MAT Credit recognized as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, by way of credit to the Statement of Profit and Loss and shown as “MAT Credit Entitlement.” MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid evidence no longer exists.

j. Borrowing costs

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the Effective Interest Rate (EIR) applicable to the respective borrowing. Borrowing cost include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue and recognized as an expense in the consolidated statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

k. Research and development costs

Research and development costs incurred for development of products are expensed as incurred, except for development costs that relate to the design and testing of new or improved materials, products or processes, which are recognized as an intangible asset to the extent that it is technically feasible to complete the development of such asset and future economic benefits are expected to be generated from such assets. Capital expenditure on development is included as part of assets and depreciated on the same basis as other assets.

l. Provisions and contingencies

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the Consolidated financial statements where an inflow of economic benefit is probable.

m. Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assesses whether:

(i) the contact involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

As a lessee, the Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the rightof-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

The Group's leases mainly comprise of Office premises and land and buildings for warehouse facilities. The Group also has leases for equipment.

n. Cash and cash equivalents

Cash comprises of cash at bank and in hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

o. Financial Instruments

a. Financial assets

i. Recognition and initial measurement

Trade receivables and debt instruments issued are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset is initially measured at fair value. In the case of financial assets which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

ii. Classification

On initial recognition, a financial asset is classified as measured at

- amortised cost; or
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVOCI) - debt investment or equity investment

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

iii. Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated statement of Profit and Loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in consolidated statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(₹ in million)

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in consolidated statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated statement of Profit and Loss.

iv. Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transactionin which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

v. Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities,deposits, and bank balance.

ii. Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather,it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b. Financial liabilities

i. Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value. In the case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of consolidated Profit and Loss. In other cases, the transaction costs are attributed to the acquisition or issue of financial liability.

ii. Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in consolidated statement of profit and loss.

iii. Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in consolidated statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the consolidated statement of profit and loss.

p. Government grants

Grants received from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with the conditions.

Government grants related to income are deferred and recognized in the consolidated statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and netted off with the expense in the consolidated statement of profit and loss.

Government grants related to purchase of property plant and equipment are recognised as deferred income and are credited to consolidated statement of profit and loss on a straight line basis over expected life of the related asset and presented within other income.

q. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

6A PROPERTY, PLANT AND EQUIPMENT

Gross block	Land Freehold	Land Leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Leasehold improvements	Computer and data processing equipments	Right to use asset (Refer note b)	Total
Balance as at 1 April 2024	563.14	5.22	730.58	2,361.00	58.23	63.68	114.31	120.61	57.27	526.70	4,600.74
Additions	6.07	-	112.54	282.63	4.57	14.05	6.79	0.15	5.37	20.05	452.22
Disposals	-	-	0.03	13.57	0.37	7.40	1.07	-	-	-	22.44
Other adjustments	-	-	-	-	-	-	-	-	-	0.69	0.69
Balance as at 31 March 25	**569.21**	**5.22**	**843.09**	**2,630.06**	**62.43**	**70.33**	**120.03**	**120.76**	**62.64**	**546.06**	**5,029.83**
Additions	-	-	**1.58**	**92.73**	**5.89**	**9.71**	**9.42**	-	**5.46**	**3.03**	**127.82**
Disposals	-	-	-	**3.60**	-	**3.94**	**0.55**	-	**3.04**	**2.97**	**14.10**
Other adjustments	-	-	-	-	-	-	-	-	-	**0.10**	**0.10**
Reversal on account of assets written off	-	-	-	**11.66**	-	**0.65**	-	-	-	-	**12.31**
Balance as at 31 March 26	**569.21**	**5.22**	**844.67**	**2,707.53**	**68.32**	**75.45**	**128.90**	**120.76**	**65.06**	**546.02**	**5,131.14**
Accumulated depreciation and amortisation											
Balance as at 1 April 2024	-	0.56	269.57	984.16	38.94	41.27	99.91	106.10	43.47	296.86	1,880.84
Depreciation and amortisation	-	0.07	39.32	145.07	4.96	9.74	7.51	5.22	7.55	70.51	289.95
Reversal on disposal of assets	-	-	0.03	11.39	0.34	6.57	1.01	-	-	-	19.34
Balance as at 31 March 25	-	**0.63**	**308.86**	**1,117.84**	**43.56**	**44.44**	**106.41**	**111.32**	**51.02**	**367.37**	**2,151.45**
Depreciation and amortisation	-	**0.07**	**43.81**	**157.97**	**5.16**	**9.65**	**7.43**	**4.92**	**7.12**	**74.54**	**310.67**
Reversal on disposal of assets	-	-	-	**2.94**	-	**4.07**	**0.45**	-	**2.78**	**1.29**	**11.53**
Reversal on account of assets written off	-	-	-	**4.51**	-	-	-	-	-	-	**4.51**
Balance as at 31 March 26	-	**0.70**	**352.67**	**1,268.36**	**48.72**	**50.02**	**113.39**	**116.24**	**55.36**	**440.62**	**2,446.08**
Other Adjustment											
Foreign currency translation adjustments as at 31 March 25	-	-	-	10.62	0.05	-	1.63	6.29	0.57	31.87	51.03
Foreign currency translation adjustments during the year	-	-	-	**8.18**	-	-	**0.25**	**0.96**	**0.08**	**12.76**	**22.23**
Balance as at 31 March 26	-	-	-	**18.80**	**0.05**	-	**1.88**	**7.25**	**0.65**	**44.63**	**73.26**
Net block											
Balance as at 31 March 25	569.21	4.59	534.23	1,522.84	18.92	25.89	15.24	15.72	12.20	210.56	2,929.41
Balance as at 31 March 26	**569.21**	**4.52**	**492.00**	**1,457.97**	**19.65**	**25.43**	**17.39**	**11.77**	**10.35**	**150.03**	**2,758.32**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

6B Capital work-in-progress (CWIP)

CWIP as at 1 April 2024	307.37
Addition during the year	259.31
Capitalised during the year	349.77
CWIP as at 31 March 25	**216.91**
Addition during the year	916.33
Capitalised during the year	621.55
CWIP as at 31 March 26	**511.69**

(a) **For Capital-work-in ("CWIP") progress ageing schedule**

As at 31 March 26	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	327.45	78.32	35.99	42.88	**484.67**
Projects temporarily suspended	2.69	21.57	2.77	-	**27.02**

As at 31 March 25	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	135.29	38.82	39.59	3.22	**216.91**
Projects temporarily suspended	-	-	-	-	-

(b) **For Right to use asset (refer note 43)**

	Buildings	Land Leasehold	Total
Gross block			
Balance as at 1 April 2024	514.08	12.62	526.70
Additions	20.05	-	20.05
Other adjustment			
- Remeasurement impact of right to use asset	0.69	-	0.69
Balance as at 31 March 25	**533.45**	**12.62**	**546.06**
Additions	3.03	-	3.03
Disposals	2.97	-	2.97
Other adjustment			
- Remeasurement impact of right to use asset	0.10	-	0.10
Balance as at 31 March 26	**533.41**	**12.62**	**546.02**
Accumulated amortization			
Balance as at 1 April 2024	293.89	2.97	296.86
Amortization	69.77	0.74	70.51
Other adjustment			
- Remeasurement impact of right to use asset	-	-	-
Balance as at 31 March 25	**363.66**	**3.71**	**367.37**
Amortization	73.80	0.74	74.54
Other adjustment			
- Remeasurement impact of right to use asset	1.29	-	1.29
Balance as at 31 March 26	**436.17**	**4.45**	**440.62**
Other Adjustment			
Foreign currency translation adjustments as at 31 March 25	31.87	-	31.87
Foreign currency translation adjustments during the year	12.76	-	12.76
	44.63	**-**	**44.63**
Net block			
Balance as at 31 March 25	201.66	8.91	210.56
Balance as at 31 March 26	**141.86**	**8.17**	**150.03**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

6C Goodwill on consolidation (refer note 50)

	As at 31 March 26	As at 31 March 25
Advanced Enzymes USA, Inc.	3,206.13	2,898.81
JC Biotech Private Limited	123.65	123.65
Advanced Enzytech Solutions Limited	0.87	0.87
Advanced Enzymes Europe B.V.	345.56	292.68
Saiganesh Enzytech Solutions Private Limited	18.39	18.39
	3,694.60	**3,334.40**

6D Intangible assets

Gross block	Computer software	Customer relationship	Developed Technologies	Rights and Licences	Tradename	Website Domain	Product Dossiers	Technical Knowhow	Non-compete Fee	Total
Balance as at 1 April 2024	42.51	109.02	527.93	229.66	25.63	6.32	3.83	90.70	28.20	1,063.80
Additions	60.06	-	-	0.61	-	-	53.69	-	-	114.36
Balance as at 31 March 25	**102.57**	**109.02**	**527.93**	**230.27**	**25.63**	**6.32**	**57.52**	**90.70**	**28.20**	**1,178.16**
Additions	1.79	-	-	-	-	-	-	-	-	1.79
Balance as at 31 March 26	**104.36**	**109.02**	**527.93**	**230.27**	**25.63**	**6.32**	**57.52**	**90.70**	**28.20**	**1,179.95**
Accumulated amortisation										
Balance as at 1 April 2024	38.23	77.43	205.22	230.27	26.95	7.02	2.01	41.71	15.18	644.02
Amortisation	4.40	15.56	31.41	3.74	1.65	-	1.15	12.99	4.71	75.61
Balance as at 31 March 25	**42.63**	**92.99**	**236.63**	**234.01**	**28.60**	**7.02**	**3.16**	**54.70**	**19.89**	**719.63**
Amortisation	17.20	15.43	34.06	0.16	-	-	5.75	12.96	4.70	90.26
Balance as at 31 March 26	**59.83**	**108.42**	**270.69**	**234.17**	**28.60**	**7.02**	**8.91**	**67.66**	**24.59**	**809.89**
Other Adjustment										
Foreign currency translation adjustments as at 31 March 25	0.86	11.60	44.39	3.85	2.97	0.71	-	-	-	64.38
Foreign currency translation adjustments during the year#	4.97	3.45	26.31	0.05	0.00	-	-	-	-	34.78
Balance as at 31 March 26	**5.83**	**15.05**	**70.70**	**3.90**	**2.97**	**0.71**	**-**	**-**	**-**	**99.16**
Net block										
Balance as at 31 March 25	60.80	27.63	335.70	0.11	0.00	-	54.37	36.00	8.31	522.90
Balance as at 31 March 26	**50.36**	**15.65**	**327.94**	**0.00**	**0.00**	**-**	**48.61**	**23.04**	**3.61**	**469.22**

Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00

6E Intangible assets under development

Balance as on 1 April 2024	103.62
Addition during the year	10.29
Capitalised during the year	113.74
Other adjustment	-
Balance as on 31 March 25	**0.17**
Addition during the year	1.74
Capitalised during the year	1.91
Other adjustment	-
Balance as at 31 March 26	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

(a) **Intangible assets under development ("IAUD") ageing schedule**

As at 31 March 2026	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

As at 31 March 25	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	0.17	-	-	-	**0.17**
Projects temporarily suspended	-	-	-	-	-

7 NON-CURRENT INVESTMENTS

	As at 31 March 26	As at 31 March 25
Other investments (unquoted)		
Equity shares at fair value through profit and loss		
19,100 Equity shares (31 March 25 - 19,100) of ₹ 10 each fully paid up of Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd) *	0.57	0.57
1,666 Equity shares (31 March 25 - 1,666) of ₹30 each fully paid up of Bombay Mercantile Co-op. Bank Limited	0.05	0.05
2,520 Equity shares (31 March 25 - 2,520) of ₹ 10 each fully paid up of Saraswat Coop Bank Ltd.	0.03	0.03
140 Equity shares (31 March 25 - 140) of RAND 15,000 each fully paid up of Vecteng Scitech Property Limited	1.00	1.00
Less : Impairment in value of investments ^	(1.00)	(1.00)
	0.64	**0.65**
Aggregate value of unquoted investments	0.64	0.65

^ The impairment in value of investment pertains to investment made in Vecteng Scitech Property Limited.

* refer note 44

8 LONG-TERM LOANS
(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Loans	0.02	0.02
Interest receivable	0.94	0.63
	0.96	**0.65**

9 OTHER NON-CURRENT FINANCIAL ASSETS
(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Non current bank deposits having maturity of more than twelve months	50.07	55.60
Security deposits	46.77	43.59
	96.84	**99.19**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)
(₹ in million)

10 OTHER NON-CURRENT ASSETS
(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Prepaid expenses	12.32	14.04
Capital advances	127.87	16.54
Others	0.30	0.30
	140.49	**30.88**

11 INVENTORIES
(valued at lower of cost and net realizable value)

	As at 31 March 26	As at 31 March 25
Raw materials and packing materials [including goods-in-transit of ₹ 75.16 million (31 March 25: ₹ 2.84 million)]	775.69	624.74
Work-in-progress	462.68	436.20
Finished goods [including goods-in-transit of ₹ 96.16 million (31 March 25 ₹ 67.54 million)]	373.26	382.86
Stores, consumables and fuel	161.14	129.25
	1,772.77	**1,573.05**

As at 31 March 26, the Company has written down the value for slow moving inventory aggregating ₹ 85.23 million (31 March 25: ₹ 51.67 million). Charge during the year ended 31 March 26 is ₹ 33.56 million (reversal of charge during year ended 31 March 25: ₹ 29.39 million) is included in cost of materials consumed and changes in inventories.

12 CURRENT INVESTMENTS
Mutual funds (Quoted)

Measured at fair value through profit and loss

	As at 31 March 26	As at 31 March 25
Fixed income securities	4,821.93	4,381.61
UTI Money Market Fund -Direct- Growth	116.62	76.13
(No. of units 31 March 26: 35,704.832, 31 March 25: 24,874.866)		
(Market value 31 March 26: 3,266.3741/unit; 31 March 25: 3,060.6445/unit)		
Aditya Birla Sunlife Limited Money Manager Fund - Growth - Direct	12.77	11.97
(No. of units 31 March 26: 32,554.191, 31 March 25: 32,554.191)		
(Market value 31 March 26: 392.1682/unit, 31 March 25: 367.6703/unit)		
ICICI Prudential Floating Interest Fund - Direct Plan - Growth	40.59	-
(No. of units 31 March 26: 83,409.554, 31 March 25: Nil)		
(Market value 31 March 26: 486.6122/unit)		
ICICI Prudential Mutual Fund- "ICICI Prudential Liquid - Growth"	26.48	12.84
(No. of units 31 March 26: 64,960.286, 31 March 25: 33,438.884)		
(Market value 31 March 26: 407.6841/unit, 31 March 25: 383.8953/unit)		
Tata Overnight Fund - Direct - Growth	-	20.29
(No. of units 31 March 26: Nil, 31 March 25: 15,057.214)		
(Market value 31 March 25: 1,347.4855/unit)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

	As at 31 March 26	As at 31 March 25
Tata Money Market Fund - Direct - Growth	125.84	201.81
(No. of units 31 March 26: 24,972.431, 31 March 25: 42,789.255)		
(Market value 31 March 26: 5,039.1257/unit, 31 March 25: 4,716.3194/unit)		
Hdfc Money Market Fund - Direct Plan Growth	98.25	89.92
(No. of units 31 March 26: 16,100.685; 31 March 25: 15,728.622)		
(Market value 31 March 26: 6,102.5131/unit; 31 March 25: 5,716.824/unit)		
ICICI Prudential Mutual Fund- "Liquid Fund- DP Growth"	-	8.01
(No. of units 31 March 26: Nil, 31 March 25: 5,824.962)		
(Market value 31 March 25: 1,375.9255/unit)		
Mirae Asset Money Market Fund - Direct Plan Growth	97.96	-
(No. of units 31 March 26: 73,300.133; 31 March 25: Nil)		
(Market value 31 March 26: 1,336.3622/unit)		
Bandhan Money Market Fund Direct Plan Growth	84.98	-
(No. of units 31 March 26: 1,858,578.72; 31 March 25: Nil)		
(Market value 31 March 26: 45.7227/unit)		
Bandhan Bond Fund Short Term - Direct Plan Growth	41.22	-
(No. of units 31 March 26: 648,950.515; 31 March 25: Nil)		
(Market value 31 March 26: 63.5122/unit)		
Absl Crisil Ibx Fin Ser 3-6 Month Debt Index Fund	40.99	-
(No. of units 31 March 26: 3,755,116.612; 31 March 25: Nil)		
(Market value 31 March 26: 10.9159/unit)		
Sbi Savings Fund - Direct Plan - Growth	51.14	-
(No. of units 31 March 26: 1,099,626.771; 31 March 25: Nil)		
(Market value 31 March 26: 46.5067/unit)		
Tata Arbitrage Fund - Direct Plan - Growth	30.75	-
(No. of units 31 March 26: 1,937,487.087; 31 March 25: Nil)		
(Market value 31 March 26: 15.8734/unit)		
Absl Arbitrage Fund - Growth-Direct Plan	30.72	-
(No. of units 31 March 26: 1,022,245.169; 31 March 25: Nil)		
(Market value 31 March 26: 30.0479/unit)		
Axis Treasury Advantage Fund - Direct Growth	40.58	-
(No. of units 31 March 26: 11952.462; 31 March 25: Nil)		
(Market value 31 March 26: 3,394.7058/unit)		
Axis Money Market Fund Direct Growth	46.86	-
(No. of units 31 March 26: 30,985.307; 31 March 25: Nil)		
(Market value 31 March 26: 1,512.1964/unit)		
Sbi Arbitrage Opportunities Fund - Dir - Growth	27.32	-
(No. of units 31 March 26: 724,410.999; 31 March 25: Nil)		
(Market value 31 March 26: 37.7102/unit)		
Icici Prudential Equity Arbitrage Fund - Direct Pl	43.02	-
(No. of units 31 March 26: 1,115,133.649; 31 March 25: Nil)		
(Market value 31 March 26: 38.5808/unit)		
Kotak Money Market Fund - Direct - Growth	60.28	-
(No. of units 31 March 26: 12,704.796; 31 March 25: Nil)		
(Market value 31 March 26: 4,744.6609/unit)		
	5,838.30	**4,802.58**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

13 TRADE RECEIVABLES

	As at 31 March 26	As at 31 March 25
Secured, considered good	0.08	0.08
Unsecured, considered good	1,450.12	1,153.91
Unsecured, credit impaired	12.11	21.22
Less : Impairment loss allowance	(12.11)	(21.22)
	1,450.20	**1,153.99**

(refer note 51 for information about credit risk and market risk of trade receivables)

The above balance includes amounts due by private companies in which KMPs/relative of KMPs are interested (Refer note 44)

Outstanding as at 31 March 26

	Particulars	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i)	Undisputed Trade Receivables – considered good	658.76	769.53	8.36	10.79	0.65	2.11	1,450.20
ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii)	Undisputed Trade Receivables – credit impaired	0.69	1.17	0.94	1.30	1.34	6.67	12.11
iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total trade receivables	**659.45**	**770.70**	**9.30**	**12.09**	**1.99**	**8.78**	**1,462.31**
	Provision for doubtful trade receivables	**(0.69)**	**(1.17)**	**(0.94)**	**(1.30)**	**(1.34)**	**(6.67)**	**(12.11)**
	Net receivable	**658.76**	**769.53**	**8.36**	**10.79**	**0.65**	**2.11**	**1,450.20**

Outstanding as at 31 March 25

	Particulars	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i)	Undisputed Trade Receivables – considered good	531.85	596.26	16.57	6.80	1.30	1.21	1,153.99
ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii)	Undisputed Trade Receivables – credit impaired	1.44	3.74	1.15	4.72	5.01	5.15	21.22
iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total trade receivables	**533.30**	**600.00**	**17.72**	**11.52**	**6.31**	**6.36**	**1,175.21**
	Provision for doubtful trade receivables	**(1.45)**	**(3.74)**	**(1.15)**	**(4.72)**	**(5.01)**	**(5.15)**	**(21.22)**
	Net receivable	**531.85**	**596.26**	**16.57**	**6.80**	**1.30**	**1.21**	**1,153.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

14 CASH AND CASH EQUIVALENTS

	As at 31 March 26	As at 31 March 25
Cash on hand	0.89	0.96
Cheques, drafts on hand	2.31	-
Balances with banks		
- in current accounts	494.43	266.14
- in deposit account with original maturity upto three months	24.07	7.65
Money market deposits	565.85	667.50
	1,087.55	**942.25**

15 OTHER BANK BALANCES

	As at 31 March 26	As at 31 March 25
Unclaimed dividend account	2.36	2.28
Bank deposits with original maturity of more than three months but less than twelve months	67.25	132.32
Earmarked bank balances *	2.15	-
	71.76	**134.60**

* These balances represent unspent Corporate Social Responsibility (CSR) amount of prior years and are transferred to separate bank account as per Section 135(6) of the Companies Act, 2013.

16 CURRENT LOANS

(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Loan to employees	2.43	1.03
	2.43	**1.03**

17 OTHER CURRENT FINANCIAL ASSETS

(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Interest receivable	5.24	4.11
Export incentives receivable	2.15	2.98
Bank deposits having original maturity of more than 12 months but remaining maturity is less than 12 months	55.60	45.66
Others	23.26	27.73
	86.25	**80.48**

18 OTHER CURRENT ASSETS

(unsecured considered good unless otherwise stated)

	As at 31 March 26	As at 31 March 25
Prepaid expenses	38.42	36.24
Advance to suppliers	22.42	17.98
Excess of Planned Assets over Obligation - Gratuity	-	0.68
Balance with Government authorities	48.19	42.75
Others	17.45	13.06
	126.48	**110.71**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

19 EQUITY SHARE CAPITAL

	As at 31 March 26		As at 31 March 25	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Face Value ₹ 2 each	175,000,000	350.00	175,000,000	350.00
	175,000,000	**350.00**	**175,000,000**	**350.00**
Issued, subscribed and fully paid up				
Equity shares of Face Value ₹ 2 each	111,926,800	223.85	111,881,150	223.76
Total	**111,926,800**	**223.85**	**111,881,150**	**223.76**

a) Reconciliation of equity share capital

	As at 31 March 26		As at 31 March 25	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	**111,881,150**	**223.76**	**111,824,075**	**223.65**
Add : Issued during the year (refer note 19 d)	45,650	0.09	57,075	0.11
Balance at the end of the year	**111,926,800**	**223.85**	**111,881,150**	**223.76**

b) Shareholders holding more than 5% of equity shares

	As at 31 March 26		As at 31 March 25	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 2 each				
Mr. Vasant L. Rathi* ^	29,871,702	26.69%	37,123,702	33.18%
Vasant and Prabha Rathi Generation Trust ^	7,500,000	6.70%	-	0.00%
Nalanda India Equity Fund Limited	9,465,501	8.46%	9,465,501	8.46%
Orbimed Asia III Mauritius FVCI Limited	13,509,522	12.07%	13,509,522	12.07%
	60,346,725	**53.92%**	**60,098,725**	**53.72%**

*includes shares held by Vasant and Prabha Rathi Generation Trust up to 31 March 25: 7,500,000 shares (6.70%)]

^ During the year ended 31 March 26 - Mr. Vasant Rathi, Promoter of the Company holding 7,500,000 (6.70%) Equity shares of the Company in his capacity as a "Trustee" on behalf of Vasant and Prabha Rathi Generation Trust ("Trust") has moved / transferred the said Equity Shares to the Trust Demat account.

c) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity share having a par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. All shares rank pari passu on repayment of capital and surplus assets in the event of liquidation. Dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

d) Shares reserved for issue under "Employees Stock Option Scheme 2022 (ESOS 2022)"

The Company had reserved issuance of 1,088,500 Equity shares of ₹ 2 each for offering to eligible employees of the Company and subsidiary companies under Employees Stock Option Scheme (ESOS). The option would vest on graded basis over a maximum period of 5 years or such other period as may be decided by the Nomination and Remuneration Committee from the date of grant based on specific criteria (refer note 46 & 46A).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Equity share capital

Details of Shares held by Promoters and Promoter Group Members at the end of the year

No.	Promoter and Promoter Group Members name	As at 31 March 26		As at 31 March 25		% change between 31 Mar 26 vs 31 Mar 25	As at 31 March 2024		% change between 31 Mar 25 vs 31 Mar 24
		No. of shares	% of total shares	No. of shares	% of total shares		No. of shares	% of total shares	
1	Vasant Rathi * ^	29,871,702	26.69%	37,123,702	33.18%	-6.49%	37,053,702	33.12%	0.06%
2	Vasant and Prabha Rathi Generation Trust ^	7,500,000	6.70%	-	0.00%	6.70%	-	0.00%	0.00%
3	Chandrakumar Laxminarayan Rathi	-	0.00%	-	0.00%	0.00%	46,500	0.04%	-0.04%
4	Reshma Namita Rathi	2,646,858	2.36%	2,646,858	2.37%	0.00%	2,646,858	2.37%	0.00%
5	Rachana Vasant Rathi	2,641,500	2.36%	2,641,500	2.36%	0.00%	2,641,500	2.36%	0.00%
6	Rasika Vasant Rathi	2,665,825	2.38%	2,665,825	2.38%	0.00%	2,665,825	2.38%	0.00%
7	Prabhavati Vasant Rathi	913,000	0.82%	913,000	0.82%	0.00%	913,000	0.82%	0.00%
8	Kishor Laxminarayan Rathi	406,000	0.36%	406,000	0.36%	0.00%	1,466,000	1.31%	-0.95%
9	Kishor Laxminarayan Rathi HUF	1,100,000	0.98%	1,100,000	0.98%	0.00%	-	0.00%	0.98%
10	Madhusudan Kabra	615,600	0.55%	615,600	0.55%	0.00%	715,600	0.64%	-0.09%
11	Jayesh Madhusudan Soni	10,000	0.01%	35,000	0.03%	-0.02%	-	0.00%	0.03%
12	Sunil Ramdayal Attal	2,050	0.00%	5,000	0.00%	0.00%	-	0.00%	0.00%
13	Megha Jhawar	8,000	0.01%	20,000	0.02%	-0.01%	-	0.00%	0.02%
14	Payal Akshay Kulkarni	-	0.00%	7,500	0.01%	-0.01%	-	0.00%	0.01%
15	Pramila Shamsunder Soni .	-	0.00%	5,000	0.00%	0.00%	-	0.00%	0.00%
16	Snehal Shamsunder Soni	15,000	0.01%	15,000	0.01%	0.00%	-	0.00%	0.01%
17	Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd)	-	0.00%	-	0.00%	0.00%	487,609	0.44%	-0.44%
18	Pratik Prakash Kokane #	10,000	0.01%	-	0.00%	0.01%	-	0.00%	0.00%
19	Shruti Sharad Dhamdhere #	10,000	0.01%	-	0.00%	0.01%	-	0.00%	0.00%
20	Dhanyakumar Kishor Gadiya #	5,000	0.00%	-	0.00%	0.00%	-	0.00%	0.00%
	Total	**48,420,535**	**43.26%**	**48,199,985**	**43.08%**	**0.18%**	**48,636,594**	**43.47%**	**-0.39%**

*includes shares held by Vasant and Prabha Rathi Generation Trust [31 March 25: 7,500,000 shares (6.70%); 31 March 2024: 7,500,000 shares (6.71%)]

^ During the year ended 31 March 26 - Mr. Vasant Rathi, Promoter of the Company holding 7,500,000 (6.70%) Equity shares of the Company in his capacity as a "Trustee" on behalf of Vasant and Prabha Rathi Generation Trust ("Trust") has moved / transferred the said Equity Shares to the Trust Demat account.

Mr. Dhanyakumar Kishor Gadiya, Mr. Pratik Prakash Kokane and Mrs. Shruti Sharad Dhamdhere are classified as promoter group members pursuant to gift of shares by promoter group member during the year.

20 OTHER EQUITY

	As at 31 March 26	As at 31 March 25
Capital reserves		
Balance at the beginning of the year	6.74	6.74
Add : Additions made during the year	-	-
Less : Deletions made during the year	-	-
Balance at the end of the year	**6.74**	**6.74**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

	As at 31 March 26	As at 31 March 25
Securities premium account		
Balance at the beginning of the year	840.22	821.31
Add: Premium on issue of equity shares under ESOP scheme	15.96	18.91
Balance at the end of the year	**856.18**	**840.22**
Employee stock option reserve		
Balance at the beginning of the year	49.53	30.31
Add: Options granted during the year (refer note 46 & 46A)	55.92	36.80
Less: Exercised during the year	(8.88)	(15.24)
Less: Lapsed during the year	(7.29)	(2.34)
Balance at the end of the year	**89.28**	**49.53**
General reserve		
Balance at the beginning of the year	38.77	38.77
Add: Additions made during the year	-	-
Less: Deletions made during the year	-	-
Balance at the end of the year	**38.77**	**38.77**
Non controlling interest reserve		
Balance at the beginning of the year	(122.39)	(122.39)
Balance at the end of the year	**(122.39)**	**(122.39)**
Retained earnings		
Balance at the beginning of the year	11,530.79	10,794.91
Add: Transferred from Statement of Profit and Loss	1,687.20	1,311.15
Add: Transferred from Other comprehensive income	9.33	(4.97)
Less: Dividend paid	(581.78)	(570.30)
Balance at the end of the year	**12,645.54**	**11,530.79**
Other Comprehensive Income		
Foreign currency translation reserve		
Balance at the beginning of the year	1,641.21	1,447.98
Add: Exchange rate difference in translation (net)	938.08	193.23
Balance at the end of the year	**2,579.29**	**1,641.21**
Share Application Money		
Balance at the beginning of the year	-	-
Add: Additions made during the year	9.53	3.78
Less: Deletions made during the year	(7.22)	(3.78)
Balance at the end of the year	2.31	-
	16,095.72	**13,984.87**

Nature and purpose of reserves

Capital reserve

The reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Employee stock option reserve

This represents the fair value of options granted to eligible employees of the Company under the ESOS 2022 Scheme over the vesting period. This reserve will be utliised on exercise of options by the employees.

General reserve

General reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid up and unpaid bonus shares.

Non controlling interest reserve

Non controlling interest reserve represent the difference between the consideration paid and the carrying value of non controlling interest acquired in subsidiaries.

Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations, if any, are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity.

Share application money pending allotment

Share application money pending allotment represents exercise money received from employees pursuant to exercise of vested stock options under the Company's Employee Stock Option Scheme (ESOS), "AETL ESOS 2022" – 2nd Grant, against which equity shares are pending allotment as at 31 March 26. The Company has received applications for allotment of equity shares, the details of which are as follows:

(a) 7,375 equity shares of ₹2 each issued at par;

(b) 4,900 equity shares of ₹2 each at a premium of ₹164 per share; and

(c) 6,725 equity shares of ₹2 each at a premium of ₹219 per share.

The allotment is expected to be completed within the period prescribed under the applicable provisions of the Companies Act, 2013 and terms of the scheme.

The Company has sufficient authorised share capital to cover the proposed allotment of shares.

21 NON-CURRENT BORROWINGS

	As at 31 March 26	As at 31 March 25
Secured		
Term loans:		
From banks	77.10	90.29
Vehicle loans	1.77	1.54
	78.87	**91.83**

a) **Details of security for each type of borrowings as at 31 March 26**

Scitech Specialities Private Limited:

i) The term loan is secured by way of equitable mortgage of Building located at 501, DLH Park, S. V. Road, Goregaon (West), Mumbai, Maharashtra and personal guarantee by the directors. For terms of repayment (refer note 21(b)).

ii) Vehicle loans availed from five banks and are secured by way of hypothecation of respective vehicle.

Advanced Bio Agro Tech Limited:

i) Vehicle loans availed from one bank and are secured by way of hypothecation of respective vehicle.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

b) **Terms of repayment of term loans and other loans (including current borrowings)**

Term loans	Interest rates	Repayment terms	Outstanding as at 31 March 26	Outstanding as at 31 March 25
From Banks				
Deutsche Bank AG	8.05%	142 equal monthly instalments of ₹ 0.63 million each along with interest up to 5 November 2034	89.69	100.84

Vehicle Loans (including current borrowings)

Interest rate	No. of installments	Date of last installment	Amount of installment	Outstanding as at 31 March 26	Outstanding as at 31 March 25
8.50%	0	05-Jul-25	0.00	0.00	0.11
6.80%	60	05-Mar-27	0.05	1.53	2.97
9.50%	50	15-May-30	0.04	2.23	0.00
Total				**3.76**	**3.08**

22 NON CURRENT LEASE LIABILITIES

	As at 31 March 26	As at 31 March 25
Lease liability (refer note 43)	37.69	117.34
	37.69	**117.34**

23 NON-CURRENT PROVISIONS

	As at 31 March 26	As at 31 March 25
Provision for employee benefits		
Compensated absences	2.57	1.56
Gratuity (refer note 41)	51.31	17.23
	53.88	**18.79**

24 CURRENT BORROWINGS

	As at 31 March 26	As at 31 March 25
Secured		
Loans repayable on demand:		
- From banks	111.83	111.45
	111.83	**111.45**
Current maturities of long-term term loans (refer note 21)		
- From banks	12.59	10.54
- Vehicle loans	1.99	1.54
	14.58	12.08
	126.41	**123.53**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

a) **Details of security for each type of borrowings as at 31 March 26**

JC Biotech Private Limited:

(i) The cash credit from bank is secured by way of hypothecation of first charge on entire current assets of the company both current and future. The loan is also supported by first charge by way of an equitable mortgage of industrial land (by deposit of title deeds) and subservient charge on entire unencumbered movable fixed assets of the company both present and future(excluding vehicles/assets under HP/lease) of the JC Biotech Private Limited.

Scitech Specialities Private Limited:

(i) The working capital facility from bank are secured against the inventories and Trade receivables of of the Scitech Specialities Private Limited.

Saiganesh Enzytech Solutions Private Limited:

(i) The working capital facility from bank are secured against the fixed deposit.

b) **Terms of repayment of loans**

Loan repayable on demand - from banks

Cash Credit from bank for ₹ 111.83 million (31 March 25: ₹ 111.45 million) carries an interest rate of 7.50% to 9.10%.

25 CURRENT LEASE LIABILITIES

	As at 31 March 26	As at 31 March 25
Lease liability (refer note 43)	77.12	60.80
	77.12	**60.80**

26 TRADE PAYABLES

	As at 31 March 26	As at 31 March 25
Total outstanding dues to micro and small enterprises (refer note below)	63.91	42.93
Total outstanding dues to others (refer note 44 for payable to related parties)	335.68	151.89
	399.59	**194.82**

Note:

Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

	As at 31 March 26	As at 31 March 25
Principal amount remaining unpaid	63.91	42.93
Interest due thereon	-	
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at balance sheet date	0.05	0.05
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	0.05	0.05

Note:

The management has identified enterprises which have provided goods and services to the Companies within the Group which are incorporated in India and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the Consolidated financials statements based on information received and available with the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Outstanding as at 31 March 26

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	52.45	11.46	-	-	-	63.91
Others	29.59	63.87	241.38	0.23	0.07	0.54	335.68
Disputed dues (MSMEs) and	-	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-	-
Total	**29.59**	**116.32**	**252.84**	**0.23**	**0.07**	**0.54**	**399.59**

Outstanding as at 31 March 25

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	40.99	1.94	-	-	-	42.93
Others	22.81	65.19	53.40	7.94	2.43	0.12	151.89
Disputed dues (MSMEs) and	-	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-	-
Total	**22.81**	**106.18**	**55.34**	**7.94**	**2.43**	**0.12**	**194.82**

27 OTHER CURRENT FINANCIAL LIABILITIES

	As at 31 March 26	As at 31 March 25
Unpaid dividends (refer note below)	2.36	2.28
Security deposits from customers	9.02	9.12
Payable for purchase of property, plant and equipment	36.83	28.89
Employee benefits payable	123.99	101.51
Other payables*	112.88	101.72
	285.08	**243.52**

Note:

The amount due and paid during the year to "Investor Education and Protection Fund" is ₹ 0.19 million (31 March 25: 0.18 million).

* includes liabilities towards corporate social responsibilty (refer note 55)

28 OTHER CURRENT LIABILITIES

	As at 31 March 26	As at 31 March 25
Statutory dues:		
Provident fund payable	5.73	4.52
Employees' State Insurance Scheme contribution payable	0.15	0.08
Other dues payable	21.73	15.83
Advance from customers	69.34	62.85
Others	7.99	2.00
	104.94	**85.28**

29 CURRENT PROVISIONS

	As at 31 March 26	As at 31 March 25
Provision for employee benefits		
Compensated absences	12.55	12.24
Gratuity (refer note 41)	14.74	9.95
Provision for 401(k) (refer note a below)	18.38	17.60
Provision for sales return (refer note b below)	18.27	12.40
Provision for claims and litigations (refer note c below and note 39)	-	156.41
	63.94	**208.60**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Note:

a) Advanced Enzymes USA, Inc.

The Company has maintained a 401(k) Safe Harbor Profit Sharing Plan ("Plan") to provide retirement and incidental benefits for its eligible employees. Employees may contribute from 1% to 15% of their annual compensation to the Plan, limited to a maximum annual amount as set periodically by the Internal Revenue Service. The Company contributes 100% of each dollar of mandatory contributions each eligible participant makes each plan year. All safe harbor contributions vest immediately.

	As at 31 March 26	As at 31 March 25
Movement in provision 401(k) during the year:		
Provision at the beginning of the year	17.60	15.54
Contribution during the year	(18.58)	(15.37)
Provision created during the year	17.57	17.00
Foreign exchange currency translation	1.79	0.43
Provision at the end of the year	**18.38**	**17.60**

b) Provision for sales return

As per best estimate of the management, provision has been made towards probable return of goods from customers, as per Indian Accounting Standard (Ind AS) 37

	As at 31 March 26	As at 31 March 25
Movement in provision for sales return		
Provision at the beginning of the year	12.40	10.26
Provision created during the year	18.27	12.40
Provision reversed during the year	(12.40)	(10.26)
Provision at the end of the year	**18.27**	**12.40**

c) Movement in provision for claims and litigations

	As at 31 March 26	As at 31 March 25
Provision at the beginning of the year	156.41	152.38
Provision created during the year	-	-
Provision reversed during the year	(161.39)	-
Foreign exchange currency translation	4.98	4.03
Provision at the end of the year	**-**	**156.41**

30 REVENUE FROM CONTRACTS WITH CUSTOMERS

	Year ended 31 March 26	Year ended 31 March 25
Sale of goods		
Export	`	3,407.63
Domestic	3,718.89	2,901.34
	7,328.53	**6,308.97**
Sale of services		
Export	120.97	56.10
	120.97	**56.10**
Other operating revenues		
Export incentives	8.07	4.03
	7,457.57	**6,369.10**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS AND RECONCILIATION:

Following table provides disaggregation of revenue and a reconciliation of product categorywise revenue and revenue recognised in Statement of Profit and Loss as revenue from contracts with customers:

	Year ended 31 March 26	Year ended 31 March 25
Particulars of segment		
Human nutrition	4,678.45	4,049.52
Animal nutrition	947.74	759.65
Bio-process	1,721.88	1,501.08
	7,348.07	6,310.25
Adjustments		
Provision for sales return	(5.87)	(2.14)
Discount reversal / (given)	(13.67)	0.86
	(19.54)	(1.28)
Total revenue from contract with customers	**7,328.52**	**6,308.97**

31 OTHER INCOME

	Year ended 31 March 26	Year ended 31 March 25
Interest income		
- on bank deposits carried at amortised cost	9.68	12.42
- on other assets carried at amortised cost	170.30	185.64
Provision for doubtful debts written back	-	0.38
Profit on sale of property, plant and equipment (net)	0.51	2.29
Liabilities no longer required written back	1.73	1.98
Net gain on foreign currency transactions and translations	19.55	9.76
Mark to mark gain on marketable securities	73.00	59.01
Miscellaneous income	73.55	58.93
	348.32	**330.41**

32 COST OF MATERIALS CONSUMED

	Year ended 31 March 26	Year ended 31 March 25
Opening stock of Raw materials and packing materials (including goods-in-transit)	624.89	637.08
Add : Purchases during the year of Raw materials and packing materials	2,094.69	1,607.37
Less : Closing stock of Raw materials and packing materials (including goods-in-transit)	776.46	624.89
	1,943.12	**1,619.56**

33 PURCHASE OF TRADED GOODS

	Year ended 31 March 26	Year ended 31 March 25
Purchase of traded goods#	0.00	-
	0.00	**-**

Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

34 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN- TRADE

	Year ended 31 March 26	Year ended 31 March 25
Opening stock		
- Finished goods	386.03	357.87
- Work-in-progress	436.20	363.41
	822.23	721.28
Closing stock		
- Finished goods	373.16	386.03
- Work-in-progress	462.68	436.20
	835.84	**822.23**
	(13.61)	**(100.95)**

35 EMPLOYEE BENEFIT EXPENSES

	Year ended 31 March 26	Year ended 31 March 25
Salaries, wages and bonus	1,407.25	1,230.38
Contribution to provident and other funds (refer note 41)	80.40	71.33
Retirement benefits expense (refer note 41)	52.81	45.24
Staff welfare expenses	33.80	34.01
Employee stock compensation expense (refer note 46 & 46A)	48.60	34.46
	1,622.86	**1,415.42**

36 FINANCE COSTS

	Year ended 31 March 26	Year ended 31 March 25
Interest expenses on financial liabilities - borrowings carried at amortised cost	8.80	16.08
Interest on term loan - carried at amortised cost	8.21	7.44
Interest expenses on lease liabilities (refer note 43)	9.27	12.05
	26.28	**35.57**

37 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31 March 26	Year ended 31 March 25
Depreciation on property, plant and equipment (refer note 6A)	236.13	219.44
Amortisation of intangible assets (refer note 6D)	90.26	75.61
Amortisation of Right to use of assets (refer note 6A & 43)	74.54	70.51
	400.93	**365.56**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

38 OTHER EXPENSES

	Year ended 31 March 26	Year ended 31 March 25
Consumption of stores and spare parts	140.19	129.81
Power and fuel	436.23	373.99
Water charges	6.39	5.56
Laboratory expenses	56.30	56.12
Analysis & Testing charges	8.44	7.07
Repairs and maintenance		
- Buildings	29.53	20.66
- Plant and equipments	75.54	69.17
- Others	38.90	44.38
Travel, conveyance and car hire	74.14	67.55
Commission	31.23	26.02
Sales promotion and advertisement	58.71	75.56
Freight outward and forwarding	122.24	109.13
Selling and distribution expenses	50.99	32.48
Rent (refer note 43 and 44)	8.96	10.24
Rates and taxes	69.02	64.56
Insurance	39.37	35.91
Printing and stationary	5.88	5.37
Communication expenses	15.36	14.11
Directors' sitting fees (refer note 44)	1.46	1.09
Commission to Non Executive Directors	7.56	4.97
Legal and professional charges	149.99	147.46
Technical Services	15.60	26.04
Payments to Auditors (refer note 42)	12.50	11.44
Bad debts	3.64	6.43
Allowances / (reversal) for doubtful accounts receivables (net)	(9.11)	9.23
Advances/assets written off	11.13	9.41
Research and development expenses	14.20	8.75
Donation	1.40	1.12
Bank Charges	11.06	10.76
Net loss on foreign currency transactions and translations	-	0.01
Provision for diminution in values of shares	-	1.01
Property, plant and equipment written off	3.63	-
Loss on sale of property, plant and equipment (net)	1.55	-
Corporate Social Responsibility expenditure (refer note 55)	23.80	20.82
Miscellaneous expenses	98.71	84.48
	1,614.54	**1,490.71**

39 EXCEPTIONAL ITEMS

	Year ended 31 March 26	Year ended 31 March 25
Charge for claims and litigations*	(161.39)	-
Impact on account of labour code (refer note 56)	47.80	-
	(113.59)	**-**

* On 22 August 25, United States court of appeals have directed the District of Arizona to pass the order in favour of Advanced Supplementary Technologies Corporation (U.S.A.) ("AST") wholly owned subsidiary of Advanced Enzyme USA. Inc. (U.S.A.) for the lawsuit filed by the Competitor. Based on the above direction of United States Court of Appeals and legal opinion received, the provision created amounting to ₹ 161.39 million earlier with respect to the mentioned lawsuit was reversed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

40 INCOME TAXES

Tax expense

(a) Income tax recognised in Statement of Profit and Loss

	Year ended 31 March 26	Year ended 31 March 25
Current income tax	565.68	495.59
Changes in estimates related to prior period	(1.22)	2.18
Total current tax	**564.46**	**497.77**
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	21.67	38.57
Minimum Alternate Tax credit	3.15	(2.44)
Tax expense for the year	**589.28**	**533.90**

(b) Income tax recognised in Other Comprehensive Income

	Year ended 31 March 26			Year ended 31 March 25		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(13.40)	3.37	(10.03)	6.78	(1.77)	5.01
	(13.40)	**3.37**	**(10.03)**	**6.78**	**(1.77)**	**5.01**

(c) Reconciliation of effective tax rate

	Year ended 31 March 26	Year ended 31 March 25
Profit before tax	**2,325.36**	**1,873.64**
Tax using the Company's domestic tax rate (31 March 26: 25.168%, 31 March 25: 25.168%)	585.25	471.56
Tax effect of:		
Tax on losses on which no deferred tax is created	(3.81)	(5.12)
Non tax deductable items	7.44	39.52
Prior period tax	-	1.79
Tax rate differential	30.89	29.56
Deferred tax impact on Ind AS adjustments	(14.12)	(13.25)
Others	(16.37)	9.84
Tax expense as per profit or loss	**589.28**	**533.90**

Deferred tax assets (net) and liabilities (net)

Particulars	As at 31 March 26	As at 31 March 25
(a) Deferred tax assets (net)	48.78	101.92
(b) Deferred tax liabilities (net)	(318.73)	(336.34)
Net deferred tax assets/(liabilities)	**(269.95)**	**(234.42)**

Particulars	Balance 31 March 25	Recognised in profit or loss	Recognised in OCI	Acquired on business combination	Others	Balance 31 March 26
Deferred tax assets (net) in relation to:						
Property, plant and equipment and other intangible assets	0.33	(2.73)	-	-	(0.58)	(2.98)
Other items	28.67	(45.62)	-	-	(0.32)	(17.27)
Provision for employee benefits	1.40	2.41	(0.51)	-	-	3.30
Unrealised profits on unsold inventory	69.16	(8.38)	-	-	2.59	63.37
Provision for doubtful trade receivable	2.36	(0.00)	-	-	-	2.36
	101.92	**(54.32)**	**(0.51)**	**-**	**1.69**	**48.78**
Deferred tax liabilities (net) in relation to:						
Property, plant and equipment and other intangible assets	(370.49)	25.57	-	-	(9.03)	(353.95)
Other items	9.20	(3.89)	-	-	-	5.31
Provision for employee benefits	13.02	10.97	(2.86)	-	-	21.13
MAT Credit	11.93	-	-	-	(3.15)	8.78
	(336.34)	**32.65**	**(2.86)**	**-**	**(12.18)**	**(318.73)**
	(234.42)	**(21.67)**	**(3.37)**	**-**	**(10.49)**	**(269.95)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Particulars	Balance 31 March 2024	Recognised in profit or loss	Recognised in OCI	Acquired on business combination	Others	Balance 31 March 25
Deferred tax assets (net) in relation to:						
Property, plant and equipment and other intangible assets	8.11	(7.75)	-	-	(0.03)	0.33
Other items	45.81	(18.15)	-	-	1.01	28.67
Provision for employee benefits	1.26	0.16	(0.02)	-	-	1.40
Unrealised profits on unsold inventory	76.70	(8.20)	-	-	0.66	69.16
MAT Credit	9.23	(9.23)	-	-	-	-
Provision for doubtful trade receivable	1.71	0.65	-	-	-	2.36
	142.82	**(42.52)**	**(0.02)**	**-**	**1.64**	**101.92**
Deferred tax liabilities (net) in relation to:						
Property, plant and equipment and other intangible assets	(376.07)	6.86	-	-	(1.28)	(370.49)
Other items	13.08	(3.88)	-	-	-	9.20
Provision for employee benefits	10.26	0.97	1.79	-	-	13.02
MAT Credit	9.49	-	-	-	2.44	11.93
	(343.24)	**3.95**	**1.79**	**-**	**1.16**	**(336.34)**
	(200.42)	**(38.57)**	**1.77**	**-**	**2.80**	**(234.42)**

As at year end, the Group has tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ 8.78 million (March 31, 25 : ₹ 11.93 million). The Group is reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years.

Given that the Group does not have any intention to dispose investments in subsidiaries in the forseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

Unrecognised deferred tax assets/ liabilities

As at 31 March 26 undistributed earning of subsidiaries amounted to Rs 7,613.80 millions (March 31, 25: Rs 7,248.15 millions). The corresponding deferred tax liability of Rs 1,257.58 millions (March 31, 25 Rs 1,189.31 millions), was not recognised because the Company controls the dividend policy of its subsidiaries i.e. the Company controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

41 EMPLOYEE BENEFITS

The Group contributes to the following post-employment plans in India.

(A) Defined Contribution Plans:

The Group makes contributions towards provident fund and superannuation fund which are in the nature of defined contribution post employment benefit plans. Under the plan, the Group is required to contribute a specified percentage of payroll cost to fund the benefits.

The Group recognised Rs 80.40 million for the year ended 31 March 26 (31 March 25 ₹ 68.33 million) towards provident fund and other retirement benefits funds contribution and Rs 3.75 million for the year ended 31 March 26 (31 March 25 ₹ 3.38 million) towards super-annuation fund contribution in the Statement of Profit and Loss.

The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

(B) Defined Benefit Plan:

The Group provides for gratuity benefit and compensated absences, which are defined benefit plans, covering all its eligible employees. The Group has taken a Group Gratuity and Compensated Absences policy for its employees with the Life Insurance Corporation of India (LIC). Under gratuity policy, the eligible employees are entitled to receive gratuity payments upon their resignation or death (subject to completion of 4.5 years of employment) in lumpsum after deduction of necessary taxes.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31 March 26. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

	As at 31 March 26	As at 31 March 25
Defined benefit obligation	180.54	130.89
Fair value of plan assets	114.49	104.39
Net defined benefit obligation	**(66.05)**	**(26.50)**

i) Reconciliation in present value of obligations ('PVO') – defined benefit obligation:

	Defined benefit obligation	
	As at 31 March 26	As at 31 March 25
Opening balance	130.89	107.31
On account of acquisition of subsidiary	-	-
Included in profit or loss		
Current service cost	13.45	10.66
Past service cost	46.30	1.99
Interest cost	8.22	7.14
	198.86	**127.10**
Included in OCI		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Financial assumptions	(6.20)	6.55
Experience adjustment	(5.90)	1.11
	186.76	**134.76**
Benefits paid	(6.22)	(3.87)
Closing balance	180.54	130.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(₹ in million)

ii) Change in fair value of plan assets

	Fair value of plan assets	
	As at 31 March 26	As at 31 March 25
Opening balance	104.39	92.62
Included in profit or loss		
Expected return on plan assets	6.78	7.03
	111.17	**99.64**
Included in OCI	-	
Remeasurement (loss)/gain:		
Actuarial (loss)/gain arising from:		
Expected return on plan assets	1.30	0.88
	112.47	**100.52**
Other		
Contributions paid by the employer	7.22	7.36
Benefits paid	(5.19)	(3.49)
Closing balance	**114.49**	**104.39**

Impact on consolidated Statement of Profit and Loss for the current year

	31 March 26	31 March 25
Service cost:		
Current service cost	13.45	10.66
Past service cost and loss/(gain) on curtailments and settlement	46.30	1.99
Net interest cost	1.43	0.12
Total included in Employee Benefit expenses	**61.18**	**12.76**

Impact on Other comprehensive income for the current year

	31 March 26	31 March 25
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	6.20	(6.55)
Due to change in demographic assumption	-	-
Due to experience adjustments	5.90	(1.11)
Return on plan assets excluding amounts included in interest income	1.30	0.88
Amounts recognized in Other Comprehensive Income	**13.40**	**(6.78)**

(ii) Plan assets

Plan assets comprise the following

Gratuity	31 March 26	31 March 25
Policy of insurance	100%	100%
	100%	**100%**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 26	31 March 25
Discount rate	7.05% - 7.78%	6.60% - 7.00%
Rate of return on plan assets	7.05% - 7.78%	6.60% - 7.00%
Salary Escalation	6.00% - 8.50%	6.00% - 8.50%
Withdrawal rates	12%-2% at younger ages reducing to 2%-1% at older ages	12%-2% at younger ages reducing to 2%-1% at older ages
Retirement age	58-65 years	58-65 years
Mortality rates	As published under the Indian assured lives mortality (2012-14) table	As published under the Indian assured lives mortality (2012-14) table

Assumptions regarding future mortality have been based on published statistics and mortality tables.

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below.

	31 March 26	31 March 25
	Increase	Increase
Discount rate (0.5% movement)	169.87	121.58
Future salary growth (0.5% movement)	184.51	133.08
Withdrawal rates (10% movement)	177.22	127.08

	31 March 26	31 March 25
	Decrease	Decrease
Discount rate (0.5% movement)	185.01	131.77
Future salary growth (0.5% movement)	170.26	121.89
Withdrawal rates (10% movement)	176.72	127.34

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

v. Expected future cash flows

Expected contribution

The expected contributions for defined benefit plan for the next financial year is ₹ 14.74 million.

Expected future benefit payments	
March 31, 2027	26.43
March 31, 2028	15.94
March 31, 2029	19.08
March 31, 2030	10.82
March 31, 2031	46.82
Thereafter	52.22

'The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

42 PAYMENTS TO AUDITORS (EXCLUDING TAXES)

	Year ended 31 March 26	Year ended 31 March 25
As auditor		
Statutory audit	9.98	8.84
Limited review	1.68	1.56
Certification work	0.19	0.34
Tax audit fee	0.05	0.05
Reimbursement of expenses	0.60	0.65
	12.50	**11.44**

43 LEASES

(a) **Maturity analysis of lease liabilities– contractual undiscounted cash flows:**

Particulars	Year Ended 31 March 26	Year Ended 31 March 25
Less than one year	81.74	83.27
One to five years	38.35	105.62
More than five years	1.44	3.47
Total undiscounted lease liabilities at 31 March	**121.53**	**192.36**
Discounted Lease liabilities included in the statement of financial position at 31 March		
Current lease liability	77.12	60.80
Non-current lease liability	37.69	117.34

(b) The Weighted average incremental borrowing rate of ranges from 4% p.a. to 9.50% p.a. for local currency borrowings has been applied for measuring the lease liability at the date of initial application.

(c) The Group incurred ₹ 92.78 million for the year ended 31 March 26 (31 March 25: ₹ 92.81 million) towards expenses relating to leases in statement of profit and loss. Lease rent incurred not falling under the scope of Ind AS 116 amounted to ₹ 8.96 million for the year ended 31 March 26 (31 March 25: ₹ 10.24 million), (refer note 38).

(d) The total cash outflow for leases for year ended 31 March 26 is ₹ 81.12 million (31 March 25: ₹ 69.72 million)

(e) General Description of leasing agreements:

- Leased Assets: Office Premises, Leasehold Land, Factory premises
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

(f) Please refer note 6A for carrying value of Right of Use Assets for the year ended 31 March 26

(g) **Changes in the lease liabilities**

Particulars	**Building**	**Leasehold land**
Opening balance as at 1 April 2024	218.87	3.09
Add: Additions during the year	20.05	-
Add: Interest for the year	11.85	0.20
Less: Lease payments during the year	77.37	0.38
Less: Other adjustments including remeasurement	(1.83)	-
Closing balance as at 31 March 25	**175.24**	**2.91**
Add: Additions during the year	-	-
Add: Interest for the year	9.09	0.19
Less: Lease payments during the year	81.25	0.38
Less: Other adjustments including remeasurement	(9.03)	-
Closing balance as at 31 March 26	**112.10**	**2.71**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

44 RELATED PARTY DISCLOSURES

a) **Names of related parties**

I **Key Management Personnel (KMP)**

Mr. Vasant L. Rathi	Chairman and Non-executive director
Mr. Mukund M. Kabra	Whole-time Director
Mr. Beni P. Rauka	Chief Financial Officer
Mr. Sanjay Basantani	Company Secretary
Mr. Pramod Kasat	Independent Director
Ms. Rasika Rathi	Non-executive Director and daughter of Chairman
Mr. Vinodkumar Jajoo	Independent Director
Dr. Sunny Sharma	Non-executive Director
Mrs. Rajshree Patel	Independent Director
Mr. Nitin Jagannath Deshmukh	Independent Director
Mrs. Vandana Tilak	Independent Director

II **Close members of KMP :**

Mrs. Prabha V. Rathi	Wife of Chairman
Ms. Rachana Rathi	Daughter of Chairman
Ms. Reshma Rathi	Daughter of Chairman
Mr. Kishor L. Rathi	Brother of Chairman

III **Other related parties (entities in which either of the KMP's have significant influence) and with whom transactions have taken place during the year**

Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd)

Rathi Properties LLC

ServiceMob Inc.

b) **Transactions with related parties**

Transactions during the year	KMPs and Close members of KMP		Other related parties	
	Year ended 31 March 26	Year ended 31 March 25	Year ended 31 March 26	Year ended 31 March 25
1 Sale of goods				
Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd)	-	-	3.33	2.06
	-	**-**	**3.33**	**2.06**
2 Rent paid				
Rathi Properties LLC	-	-	35.50	32.42
Mr. Vasant L Rathi	15.69	14.33	-	-
	15.69	**14.33**	**35.50**	**32.42**
3 Remuneration *^				
Mr. Vasant L. Rathi	51.66	46.51	-	-
Mr. Mukund M. Kabra	29.91	27.14	-	-
Mr. Kishor L. Rathi	3.72	3.90	-	-
Mrs. Prabha V. Rathi	29.14	25.37	-	-
Ms. Reshama Rathi	19.87	16.07	-	-
Ms. Rachana Rathi	17.66	14.38	-	-
Ms. Rasika Rathi	22.08	17.76	-	-
Mr. Beni P. Rauka	17.01	15.94	-	-
Mr. Sanjay Basantani	6.10	5.50	-	-
	197.17	**172.57**	**-**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(₹ in million)

Transactions during the year	KMPs and Close members of KMP		Other related parties	
	Year ended 31 March 26	Year ended 31 March 25	Year ended 31 March 26	Year ended 31 March 25
4 Commission				
Mr. Vasant L. Rathi	8.96	8.02	-	-
Mr. Mukund Kabra	6.57	5.11	-	-
Ms. Rasika Rathi	0.78	0.59	-	-
Mr. Pramod Kasat	1.31	0.89	-	-
Mr. Vinodkumar Jajoo	1.44	1.09	-	-
Mr. Sunny Sharma	0.39	0.30	-	-
Mrs. Rajshree Patel	1.04	0.30	-	-
Mr. Nitin Jagannath Deshmukh	0.91	0.59	-	-
	21.41	**16.89**	**-**	**-**
5 Sitting fees to Independent directors				
Mr. Kedar Desai	0.11	0.11	-	-
Mr. Pramod Kasat	0.44	0.40	-	-
Mr. Vinodkumar Jajoo	0.37	0.34	-	-
Mrs. Rajshree Patel	0.27	0.10	-	-
Mr. Nitin Jagannath Deshmukh	0.27	0.22	-	-
Mrs. Vandana Tilak	-	(0.08)	-	-
	1.46	**1.10**	**-**	**-**
6 Car hire charges				
Mrs. Prabha V. Rathi	1.89	1.81	-	-
	1.89	**1.81**	**-**	**-**
7 Consultancy services				
ServiceMob Inc.	-	-	-	14.81
	-	**-**	**-**	**14.81**

* included in Employee benefit expense

^ The amount does not include gratuity and compensated absences which are actuarially determined on an overall basis for the Company and individual information in respect of the Key Management Personnel is not available.

c) **Outstanding balances**

	KMPs and relatives		Other related parties	
	Year ended 31 March 26	Year ended 31 March 25	Year ended 31 March 26	Year ended 31 March 25
a. Investment				
Advenza Global Limited (Formerly known as Advanced Vital Enzymes Pvt Ltd)	-	-	0.57	0.57
	-	**-**	**0.57**	**0.57**
b. Remuneration payable				
Mr. Vasant L. Rathi	1.28	0.97	-	-
Mr. Mukund M. Kabra	1.23	1.27	-	-
Mr. Kishor L. Rathi	0.26	0.22	-	-
Mrs. Prabha V. Rathi	0.72	0.53	-	-
Ms. Reshama Rathi	0.49	0.33	-	-
Ms. Rachana Rathi	0.44	0.30	-	-
Ms. Rasika Rathi	0.55	0.37	-	-
Mr. Beni P. Rauka	0.90	0.52	-	-
Mr. Sanjay Basantani	0.24	0.21	-	-
	6.11	**4.72**	**-**	**-**

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FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

	KMPs and relatives		Other related parties	
	Year ended 31 March 26	Year ended 31 March 25	Year ended 31 March 26	Year ended 31 March 25
c. Commission payable				
Mr. Vasant L. Rathi	9.50	8.10	-	-
Mr. Mukund Kabra	6.57	5.11	-	-
Ms. Rasika Rathi	0.78	0.59	-	-
Mr. Pramod Kasat	1.31	0.89	-	-
Mr. Vinodkumar Jajoo	1.44	1.09	-	-
Mr. Sunny Sharma	0.39	0.30	-	-
Mrs. Rajshree Patel	1.04	0.30	-	-
Mr. Nitin Jagannath Deshmukh	0.91	0.59	-	-
	21.94	**16.97**	**-**	**-**
d. Prepaid for car hire				
Mrs. Prabha V. Rathi	5.56	6.85	-	-
	5.56	**6.85**	**-**	**-**
e. Directors' sitting fees payable				
Mr. Pramod Kasat	0.02	0.02	-	-
Mr. Vinodkumar Jajoo	0.02	0.02	-	-
Mrs. Rajshree Patel	0.12	0.05	-	-
Mr. Nitin Jagannath Deshmukh	0.02	0.02	-	-
	0.18	**0.11**	**-**	**-**

45 SEGMENT REPORTING

A Basis of segmentation

The Group operates only in one business segment viz. 'manufacturing and sales of enzymes' and hence no separate information for primary segment wise disclosure is required.

B Geographic information

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sale of goods and services to customers and segment assets are based on geographical location of assets.

	Year ended 31 March 26	Year ended 31 March 25
Segment revenue (based upon location of customers)		
India	3,718.88	2,905.47
Europe	398.48	335.36
USA	2,192.35	2,367.37
Asia	903.99	585.07
Others	235.80	171.80
	7,449.50	**6,365.07**

	31 March 26	31 March 25
Segment assets (based upon location of assets)		
India	3,778.95	3,514.49
Europe	618.52	591.08
USA	3,407.18	3,106.79
	7,804.65	**7,212.36**

Major customer

There are no customers from whom revenue is in excess of 10% of the Group's revenue out of total revenue of the Group for financial year 2025-26 and financial year 2024-25 (refer note 30).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

46 EMPLOYEE SHARE-BASED PAYMENT PLANS

a) Description of share-based payment arrangements:

As at 31 March 26, the Company has the following share-based payment arrangements for employees.

'AETL Employee Stock Option Scheme 2022'- ("AETL ESOS 2022")

AETL ESOS 2022 provides for the grant of 576,000 stock options to specified employees on 12 August 2023. The AETL ESOS 2022 had been formulated by Board of Directors which was further adopted by Nomination and Remuneration committee. The Shareholders approved the scheme on 19 August 2022. The plan entitles specified employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the plan, holders of vested options are entitled to purchase one equity share of face value of ₹ 2 each for every option as per the scheme.

576,000 Equity Shares of Face Value of ₹ 2 each are reserved for issue under AETL Employee Stock Option Scheme 2022 (AETL ESOS-2022)

The terms and conditions related to the grant of the share options are as follows:

Employees entitled	Specified employees
Number of options	5,76,000
Scheme formulation	
Category I	First 500 Options at the Exercise Price of ₹ 2/- each
Category II	Employees who have been granted Options upto 5,000; First 500 Options at ₹ 2/- each and remaining Options at ₹ 141/-
Category III	Employees who have been granted Options more than 5,000; First 500 Options at ₹ 2/- each, Next 4,500 Option at ₹ 141/- and remaining Options at ₹ 188/-
Vesting conditions	
Category I	After 1 year of the date of grant
Category II	First 500 option after 1 year of the date of grant and for balance options
	After 1 year of the date of grant 5% vesting
	After 2 year of the date of grant 10% vesting
	After 3 year of the date of grant 20% vesting
	After 4 year of the date of grant 30% vesting
	After 5 year of the date of grant 35% vesting
Category III	After 1 year of the date of grant 5% vesting
	After 2 year of the date of grant 10% vesting
	After 3 year of the date of grant 20% vesting
	After 4 year of the date of grant 30% vesting
	After 5 year of the date of grant 35% vesting
Contractual life of options	Graded vesting over 5 years

b) Measurement of fair value :

The fair values are measured based on the Black-Scholes-option valuation model. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measurement of the fair values at grant date and measurement date of the stock options were as follows.

Particulars					
Vesting	**1 Year**	**2 Year**	**3 Years**	**4 Years**	**5 Years**
Share price at grant date (Face value - ₹ 2 per share)	₹ 329	₹ 329	₹ 329	₹ 329	₹ 329
Exercise price (Face value - ₹ 2 per share)					
Expected volatility (weighted average)	31.41%	33.82%	40.78%	43.12%	42.13%
Expected life (weighted average)	1.25 years	2.25 years	3.25 years	4.25 years	5.25 years
Expected dividend	0.30%	0.30%	0.30%	0.30%	0.30%
Risk-free interest rate (based on government bond)	6.69% p.a.	6.77% p.a.	6.80% p.a.	6.81% p.a.	6.82% p.a.

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(₹ in million)

Weighted-average exercise prices and weighted-average fair values of options

Date of Vesting	1 Year	2 Year	3 Years	4 Years	5 Years
Weighted-average exercise prices	64	156	156	156	156
Weighted-average fair value of options	269	195	208	219	227

c) **Reconciliation of outstanding stock options :**

Particular	**31 March 26**	**31 March 25**
	No. of options	**No. of options**
a) Outstanding at 1 April	4,98,750	5,70,000
b) Granted	-	-
c) Vested	51,250	-
d) Forfeited	-	-
e) Expired	32,775	14,175
f) Exercised	45,650	57,075
g) Outstanding at 31 March (g = a-d-e-f)	**4,20,325**	**4,98,750**
Exercisable at 31 March	-	-

d) **Expense recognized in the Consolidated Statement of Profit or Loss :**

	31 March 26	**31 March 25**
AETL ESOS 2022	23.76	34.14
Total expense recognized in 'employee benefits'	**23.76**	**34.14**

46A EMPLOYEE SHARE-BASED PAYMENT PLANS

a) **Description of share-based payment arrangements:**

As at 31 March 26, the Company has the following share-based payment arrangements for employees.

'AETL Employee Stock Option Scheme 2022'- ("AETL ESOS 2022")

AETL ESOS 2022 provides for the grant of 512,500 stock options to specified employees on 27 March 25. The AETL ESOS 2022 had been formulated by Board of Directors which was further adopted by Nomination and Remuneration committee. The Shareholders approved the scheme on 19 August 2022. The plan entitles specified employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the plan, holders of vested options are entitled to purchase one equity share of face value of ₹ 2 each for every option as per the scheme.

512,500 Equity Shares of Face Value of ₹ 2 each are reserved for issue under AETL Employee Stock Option Scheme 2022 (AETL ESOS-2022)

The terms and conditions related to the grant of the share options are as follows:

Employees entitled	Specified employees
Number of options	5,12,500
Scheme formulation	
Category I	First 500 Options at the Exercise Price of ₹ 2 /- each
Category II	Employees who have been granted Options upto 5,000; First 500 Options at ₹ 2 /- each and remaining Options at ₹ 166 /-
Category III	Employees who have been granted Options more than 5,000; First 500 Options at ₹ 2 /- each, Next 4,500 Option at ₹ 166 /- and remaining Options at ₹ 221/-
Vesting conditions	
Category I	After 1 year of the date of grant
Category II	First 500 option after 1 year of the date of grant and for balance options
	After 1 year of the date of grant 5% vesting
	After 2 year of the date of grant 10% vesting
	After 3 year of the date of grant 20% vesting
	After 4 year of the date of grant 30% vesting
	After 5 year of the date of grant 35% vesting
Category III	After 1 year of the date of grant 5% vesting
	After 2 year of the date of grant 10% vesting
	After 3 year of the date of grant 20% vesting
	After 4 year of the date of grant 30% vesting
	After 5 year of the date of grant 35% vesting
Contractual life of options	Graded vesting over 5 years

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(₹ in million)

b) **Measurement of fair value :**

The fair values are measured based on the Black-Scholes-option valuation model. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measurement of the fair values at grant date and measurement date of the stock options were as follows.

Particulars					
Vesting	**1 Year**	**2 Year**	**3 Years**	**4 Years**	**5 Years**
Share price at grant date (Face value - ₹ 2 per share)	₹ 278.90	₹ 278.90	₹ 278.90	₹ 278.90	₹ 278.90
Exercise price (Face value - ₹ 2 per share)					
Expected volatility (weighted average)	38.44%	35.06%	35.64%	35.76%	41.78%
Expected life (weighted average)	1.25 years	2.25 years	3.25 years	4.25 years	5.25 years
Expected dividend	0.68%	0.78%	0.70%	0.62%	0.58%
Risk-free interest rate (based on government bond)	6.24% p.a.	6.21% p.a.	6.20% p.a.	6.21% p.a.	6.22% p.a.

Weighted-average exercise prices and weighted-average fair values of options

Date of Vesting	1 Year	2 Year	3 Years	4 Years	5 Years
Weighted-average exercise prices	81	184	184	184	184
Weighted-average fair value of options	205	125	136	146	162

c) **Reconciliation of outstanding stock options :**

Particular	**31 March 26**	**31 March 25**
	No. of options	**No. of options**
a) Outstanding at 1 April	5,12,500	-
b) Granted	-	5,12,500
c) Vested	53,225	-
d) Forfeited	-	-
e) Expired	18,000	-
f) Exercised	19,000	-
g) Outstanding at 31 March (g = a-d-e-f)	**4,75,500**	**5,12,500**
Exercisable at 31 March	34,225	-

d) **Expense recognized in the Consolidated Statement of Profit or Loss:**

	31 March 26	**31 March 25**
AETL ESOS 2022	24.84	0.32
Total expense recognized in 'employee benefits'	**24.84**	**0.32**

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(₹ in million)

47 EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to owners of the parent

	31 March 26	31 March 25
Profit attributable to owners of the parent	1,687.19	1,311.15

ii. Weighted average number of equity shares

	31 March 26	31 March 25
Issued equity shares at 1 April	111,881,150	111,824,075
Effect of fresh issue of shares for cash	22,012	28,071
Weighted average number of shares at 31 March for basic EPS	**111,903,162**	111,852,146
Effect of exercise of share options	1,36,963	1,38,199
Weighted average number of shares at 31 March for diluted EPS	**112,040,125**	111,990,345

Basic and Diluted earnings per share

	31 March 26	31 March 25
Basic earnings per share	**15.08**	11.72
Diluted earnings per share	**15.06**	11.71

48 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013.

Particulars	As at 31 March 26		Year ended 31 March 26		Year ended 31 March 26		Year ended 31 March 26	
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share of Other Comprehensive income		Share of Total Comprehensive income	
	As a % of consolidated net assets	₹ in million	As a % of consolidated profit and loss	₹ in million	As a % of OCI	₹ in million	As a % of Total Comprehensive income	₹ in million
Parent								
Advanced Enzyme Technologies Limited	43.49	7,096.23	78.12	1,318.07	0.89	8.43	50.35	1,326.50
Subsidiaries								
Indian								
Advanced Bio-Agro Tech Limited	1.58	258.23	3.89	65.66	0.07	0.66	2.52	66.32
Advanced EnzyTech Solutions Limited#	0.33	54.29	0.81	13.68	(0.00)	(0.00)	0.52	13.68
JC Biotech Private Limited	4.05	661.57	1.75	29.45	0.01	0.07	1.12	29.52
Scitech Specialties Private Limited	3.31	540.20	2.66	44.86	0.09	0.86	1.74	45.72
Saiganesh EnzyTech Solutions Private Limited	0.85	139.38	1.31	22.14	-	-	0.84	22.14
Advanced Nutrazyme Private Limited*	0.00	0.33	(0.01)	(0.17)	-	-	(0.01)	(0.17)
Foreign								
Advanced Enzymes USA, Inc. (including its subsidiaries)	59.17	9,655.09	46.45	783.68	92.40	875.46	62.97	1,659.14
Advanced Enzymes Europe B.V. (including its subsidiaries)	3.88	633.67	1.50	25.38	9.35	88.63	4.33	114.01
Total eliminations/adjustments	(13.52)	(2,207.77)	(33.58)	(566.67)	(2.74)	(26.00)	(22.50)	(592.67)
Share of Non- controlling interest	(3.14)	(511.65)	(2.90)	(48.89)	(0.07)	(0.69)	(1.88)	(49.58)
Total	**100.00**	**16,319.57**	**100.00**	**1,687.19**	**100.00**	**947.42**	**100.00**	**2,634.61**

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(₹ in million)

Particulars	As at 31 March 25		Year ended 31 March 25		Year ended 31 March 25		Year ended 31 March 25	
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share of Other Comprehensive income		Share of Total Comprehensive income	
	As a % of consolidated net assets	₹ in million	As a % of consolidated profit and loss	₹ in million	As a % of OCI	₹ in million	As a % of Total Comprehensive income	₹ in million
Parent								
Advanced Enzyme Technologies Limited	44.29	6,293.41	78.11	1,024.20	(1.83)	(3.44)	68.08	1,020.76
Subsidiaries								
Indian								
Advanced Bio-Agro Tech Limited	1.63	231.89	2.77	36.27	0.03	0.06	2.42	36.32
Advanced EnzyTech Solutions Limited#	0.38	54.61	1.68	22.09	(0.00)	(0.00)	1.47	22.09
JC Biotech Private Limited	4.44	630.20	0.92	12.11	(0.87)	(1.63)	0.70	10.46
Scitech Specialties Private Limited	3.48	494.49	2.81	36.83	0.00	0.01	2.46	36.84
Saiganesh EnzyTech Solutions Private Limited	0.83	117.23	1.20	15.71	-	-	1.05	15.71
Foreign								
Advanced Enzymes USA, Inc. (including its subsidiaries)	60.08	8,536.18	54.49	714.47	109.60	206.31	61.41	920.78
Advanced Enzymes Europe B.V. (including its subsidiaries)	3.64	516.87	2.27	29.75	8.60	16.20	3.06	45.95
Total eliminations/adjustments	(15.41)	(2,188.18)	(42.07)	(551.69)	(15.55)	(29.29)	(38.75)	(580.95)
Share of Non- controlling interest	(3.36)	(478.07)	(2.18)	(28.59)	0.02	0.04	(1.90)	(28.55)
Total	**100.00**	**14,208.63**	**100.00**	**1,311.15**	**100.00**	**188.26**	**100.00**	**1,499.41**

*The Company has incorporated a new wholly owned subsidiary by name of Advanced Nutrazyme Private Limited ('ANPL'), the subsidiary received its certificate of incorporation on 4 July 25. ANPL will be engaged in the business of sales and distribution of the Company's Nutrition and Wellness range of products.

The above amounts/percentage of net assets and net profit or loss in respect of Advanced Enzyme Technologies Limited and its subsidiaries are determined based on the amount of the respective entities included in Consolidated Financial Statements before elimination of inter company transactions.

#Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00

49 NON CONTROLLING INTEREST

Financial information of subsidiaries that have non-controlling interests is provided below :

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest	
		31 March 26	31 March 25	31 March 26	31 March 25
Advanced Bio-Agro Tech Limited	India	60.00%	60.00%	40.00%	40.00%
JC Biotech Private Limited	India	95.72%	95.72%	4.28%	4.28%
Scitech Specialities Private Limited	India	51.00%	51.00%	49.00%	49.00%
Saiganesh Enzytech Solutions Private Limited	India	50.00%	50.00%	50.00%	50.00%

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The following table summarises information relating to each of the Group's subsidiary, before any inter-company eliminations:

I. Summarised statement of profit or loss

(a) Advanced Bio-Agro Tech Limited

	31 March 26	31 March 25
Total Revenue	555.95	478.82
Profit for the year	65.67	36.26
Other Comprehensive Income	0.66	0.06
Profit allocated to non-controlling interests	**26.27**	**14.50**
Total comprehensive income allocated to non-controlling interests	**26.53**	**14.53**
OCI allocated to non-controlling interests	**0.27**	**0.02**
Dividends paid to non-controlling interests	**16.00**	**8.00**

(b) JC Biotech Private Limited

	31 March 26	31 March 25
Total Revenue	727.81	599.78
Profit for the year	29.45	12.09
Other Comprehensive Income	0.07	(1.63)
Ind AS adjustments	(8.69)	(8.69)
Profit allocated to non-controlling interests	**0.97**	**0.18**
Total comprehensive income allocated to non-controlling interests	**0.97**	**0.11**
OCI allocated to non-controlling interests	**0.00**	**(0.07)**
Dividends paid to non-controlling interests	**-**	**-**

(c) Scitech Specialities Private Limited

	31 March 26	31 March 25
Total Revenue	669.38	541.93
Profit for the year	44.86	36.83
Other Comprehensive Income	0.86	(0.01)
Ind AS adjustments	(22.74)	(23.95)
Profit allocated to non-controlling interests	**10.84**	**6.31**
Total comprehensive income allocated to non-controlling interests	**11.26**	**6.32**
OCI allocated to non-controlling interests	**0.42**	**0.00**
Dividends paid to non-controlling interests	**-**	**-**

(d) Saiganesh Enzytech Solutions Private Limited

	31 March 26	31 March 25
Total Revenue	157.03	212.90
Profit for the year	22.14	15.71
Other Comprehensive Income	-	-
Ind AS adjustments	(0.51)	(0.51)
Profit allocated to non-controlling interests	**10.81**	**7.60**
Total comprehensive income allocated to non-controlling interests	**10.81**	**7.60**
OCI allocated to non-controlling interests	**-**	**-**
Dividends paid to non-controlling interests	**-**	**4.00**

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II. Summarised balance sheet

(a) Advanced Bio-Agro Tech Limited

	31 March 26	31 March 25
Non-current liabilities	-	1.54
Current liabilities	32.30	37.83
	32.30	39.37
Non-current assets	64.87	31.76
Current assets	225.66	239.50
	290.53	271.26
Net assets	258.23	231.89
Net assets attributable to non-controlling interest	103.29	92.76

(b) JC Biotech Private Limited

	31 March 26	31 March 25
Non-current liabilities	53.21	48.49
Current liabilities	153.40	122.24
	206.61	**170.73**
Non-current assets	505.80	525.23
Current assets	362.37	275.70
	868.17	**800.93**
Net assets	661.56	630.20
Ind AS adjustments	227.85	236.54
Net assets attributable to non-controlling interest	**38.07**	**37.09**

(c) Scitech Specialities Private Limited

	31 March 26	31 March 25
Non-current liabilities	90.59	98.39
Current liabilities	117.89	78.37
	208.48	**176.76**
Non-current assets	454.73	477.30
Current assets	293.95	193.95
	748.69	**671.25**
Net assets	540.21	494.49
Ind AS adjustments	66.50	89.24
Net assets attributable to non-controlling interest	297.28	286.02

(d) Saiganesh Enzytech Solutions Private Limited

	31 March 26	31 March 25
Non-current liabilities	0.38	0.15
Current liabilities	39.18	35.79
	39.56	**35.95**
Non-current assets	33.55	29.38
Current assets	145.38	123.81
	178.94	**153.19**
Net assets	139.38	117.23
Ind AS adjustments	6.65	7.15
Net assets attributable to non-controlling interest	73.01	62.20

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(₹ in million)

III. Summarised cash flow information

(a) Advanced Bio-Agro Tech Limited

	31 March 26	31 March 25
Cash flows from(used in) in operating activities	15.98	8.64
Cash flows from(used in) in investing activities	(2.33)	9.08
Cash flows from(used in) in financing activities	(16.64)	(16.65)
Net increase /(decrease) in cash and cash equivalents	**(2.99)**	**1.07**

(b) JC Biotech Private Limited

	31 March 26	31 March 25
Cash flows from(used in) in operating activities	1.46	2.33
Cash flows from(used in) in investing activities	(1.42)	(1.14)
Cash flows from(used in) in financing activities	(0.05)	(1.18)
Net increase /(decrease) in cash and cash equivalents	**(0.01)**	**0.01**

(c) Scitech Specialities Private Limited

	31 March 26	31 March 25
Cash flows from(used in) in operating activities	45.17	14.52
Cash flows from(used in) in investing activities	(14.73)	(33.37)
Cash flows from(used in) in financing activities	(12.01)	(4.43)
Net increase /(decrease) in cash and cash equivalents	**18.43**	**(23.28)**

(d) Saiganesh Enzytech Solutions Private Limited

	31 March 26	31 March 25
Cash flows from(used in) in operating activities	3.36	14.79
Cash flows from(used in) in investing activities	(2.59)	(2.53)
Cash flows from(used in) in financing activities	(0.79)	(15.33)
Net increase /(decrease) in cash and cash equivalents	**(0.02)**	**(3.07)**

50 GOODWILL AND OTHER INTANGIBLES

Impairment testing of Goodwill

For the purposes of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments. The aggregate carrying amounts of goodwill allocated to each unit are as follows:

Particulars	31 March 26	31 March 25
Advanced Enzymes USA, Inc.	3,206.13	2,898.81
JC Biotech Private Limited	123.65	123.65
Advanced Enzymes Europe B.V.	345.56	292.68
Advanced EnzyTech Solutions Limited	0.87	0.87
Saiganesh Enzytech Solutions Private Limited	18.39	18.39
	3,694.60	**3,334.40**

The recoverable amount of this cash generating unit was based on fair value less costs of disposal, estimated using discounted cash flows.The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

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Particulars	31 March 26	31 March 25
Discount rate	**8% - 15%**	8% - 15%
Terminal value	**3%-5%**	3%-5%
Sales growth rate	**10% - 20%**	10% - 20%

The discount rate was post tax measure estimated based on the weighted-average cost of capital.

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimate of the long-term business growth rate, consistent with the assumptions that a market participant would make.

Sales growth rate has been considered based on past performance duly adjusted with new sales mix as envisaged by the management.

The Group has performed sensitivity analysis around the base assumptions and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of the cash generating unit's to exceed its recoverable amount.

51 FINANCIAL INSTRUMENTS

i. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

		Carrying amount				Fair value			
31 March 26	Note No.	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets									
Non-current investments	7	0.64	-	-	0.64	-	-	0.64	0.64
Long-term loans	8	-	-	0.96	0.96	-	-	-	-
Other non-current financial assets	9	-	-	96.84	96.84	-	-	-	-
Current investments	12	5,838.30	-	-	5,838.30	5,838.30	-	-	5,838.30
Trade receivables	13	-	-	1,450.20	1,450.20	-	-	-	-
Cash and cash equivalents	14	-	-	1,087.55	1,087.55	-	-	-	-
Other bank balances	15	-	-	71.76	71.76	-	-	-	-
Short-term loans	16	-	-	2.43	2.43	-	-	-	-
Other current financial assets	17	-	-	86.25	86.25	-	-	-	-
		5,838.94	**-**	**2,795.99**	**8,634.93**	**5,838.30**	**-**	**0.64**	**5,838.94**
Financial liabilities									
Long-term borrowings	21	-	-	78.87	78.87	-	-	-	-
Non-current lease liability	22	-	-	37.69	37.69	-	-	-	-
Short-term borrowings	24	-	-	126.41	126.41	-	-	-	-
Current lease liability	25	-	-	77.12	77.12	-	-	-	-
Trade payables	26	-	-	399.58	399.58	-	-	-	-
Other Current financial liabilities	27	-	-	285.08	285.08	-	-	-	-
		-	**-**	**1,004.75**	**1,004.75**	**-**	**-**	**-**	**-**

Note: There have been no transfers among Level 1, Level 2 and Level 3 during the year.

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(₹ in million)

		Carrying amount				Fair value			
31 March 25	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Financial assets									
Non-current investments	7	0.65	-	-	0.65	-	-	0.65	0.65
Long-term loans	8	-	-	0.65	0.65	-	-	-	-
Other non-current financial assets	9	-	-	99.19	99.19	-	-	-	-
Current investments	12	4,802.58	-	-	4,802.58	4,802.58	-	-	4,802.58
Trade receivables	13	-	-	1,153.99	1,153.99	-	-	-	-
Cash and cash equivalents	14	-	-	942.25	942.25	-	-	-	-
Other bank balances	15	-	-	134.60	134.60	-	-	-	-
Short-term loans	16	-	-	1.03	1.03	-	-	-	-
Other current financial assets	17	-	-	80.48	80.48	-	-	-	-
		4,803.23	**-**	**2,412.19**	**7,215.42**	**4,802.58**	**-**	**0.65**	**4,803.23**
Financial liabilities									
Long-term borrowings	21	-	-	91.83	91.83	-	-	-	-
Lease liability	22	-	-	117.34	117.34	-	-	-	-
Short-term borrowings	24	-	-	123.53	123.53	-	-	-	-
Current lease liability	25	-	-	60.80	60.80	-	-	-	-
Trade payables	26	-	-	194.82	194.82	-	-	-	-
Other Current financial liabilities	27	-	-	243.52	243.52	-	-	-	-
		-	**-**	**831.84**	**831.84**	**-**	**-**	**-**	**-**

Note: There have been no transfers among Level 1, Level 2 and Level 3 during the year.

B. Measurement of fair values

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

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i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

There is no concentration of risk for trade receivables.

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

	31 March 26		
	Carrying Amount	**Weighted Average Loss Rate**	**Loss Allowance**
Not due	755.44	0.09%	0.69
0-90 days	616.85	0.09%	0.57
90-180 days	50.16	1.19%	0.59
180-270 days	14.71	3.47%	0.51
270-360 days	2.27	17.05%	0.39
More than 360 days	22.88	40.84%	9.35
	1,462.31		**12.11**

	31 March 25		
	Carrying Amount	**Weighted Average Loss Rate**	**Loss Allowance**
Not due	533.30	0.27%	1.45
0-90 days	581.53	0.35%	2.04
90-180 days	18.47	9.20%	1.70
180-270 days	15.04	4.05%	0.61
270-360 days	2.68	20.03%	0.54
More than 360 days	24.19	61.54%	14.88
	1,175.21		**21.22**

Expected credit loss assessment for customers as at 31 March 26 and 31 March 25

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	Amount
Balance as at 1 April 2024	12.36
Add: Impairment loss recognised	13.85
Less: Amounts written off	4.99
Balance as at 31 March 25	**21.22**
Add: Impairment (reversal)/loss recognised	(5.47)
Less: Amounts written back	3.64
Balance as at 31 March 26	**12.11**

The impairment loss at 31 March 26 and 31 March 25 related to certain customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents

The Group held cash and cash equivalents of Rs 1,97.55 million at 31 March 26 (31 March 25: Rs 942.25 million). The cash and cash equivalents are held with bank and as money market deposits.

Derivatives

There are no derivatives contracts outstanding as on 31 March 26.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Other than trade and other receivables, the Group has no other financial assets that are past due but not impaired

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has obtained fund and non-fund based working capital lines from various banks. The Group invests its surplus funds in bank fixed deposit which carry no/low mark-to-market risks. The Group monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted except in case of lease liabilities where the amounts are mentioned on discounted basis, and include estimated interest payments:

31 March 26		Contractual cash flows				
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Long-term borrowings	78.87	78.87	-	29.50	21.44	27.93
Interest payable on borrowings	-	27.61	19.80	2.92	2.12	2.76
Non-current lease liability	37.69	37.69	-	31.00	5.17	1.52
Short-term borrowings	126.41	126.41	126.41	-	-	-
Current lease liability	77.12	77.12	77.12	-	-	-
Trade payables	399.58	399.58	399.58	-	-	-
Other financial liabilities	285.08	285.08	285.08	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

31 March 25		Contractual cash flows				
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Long-term borrowings	91.83	91.83	-	25.75	26.80	39.28
Interest payable on borrowings	-	28.42	19.38	2.50	2.65	3.89
Non-current lease liability	117.34	117.34	-	106.68	7.61	3.05
Short-term borrowings	123.53	123.53	123.53	-	-	-
Current lease liability	60.80	60.80	60.80	-	-	-
Trade payables	194.82	194.82	194.82	-	-	-
Other financial liabilities	243.52	243.52	243.52	-	-	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments.Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Group is exposed to currency risk on account of its operations in other countries. The functional currency of the Group is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group uses both derivative instruments, i.e, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 26 and 31 March 25 are as below:

₹ in million

	31 March 26 USD	31 March 26 EURO	31 March 26 Others
Financial assets			
Cash and cash equivalents	0.18	0.07	0.04
Trade and other receivables	141.65	44.94	-
	141.83	**45.01**	**0.04**
Financial liabilities			
Trade and other payables	108.75	7.09	-
	108.75	7.09	-
Net exposure	**33.07**	**37.92**	**0.04**

	31 March 25 USD	31 March 25 EURO	31 March 25 Others
Financial assets			
Cash and cash equivalents	0.03	0.06	0.03
Trade and other receivables	89.25	55.87	-
	89.28	**55.93**	**0.03**
Financial liabilities			
Trade payables	24.85	0.00	-
	24.85	**0.00**	**-**
Net exposure	**64.43**	**55.93**	**0.03**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars and Euros at March 31 would have affected the measurement of financial instruments denominated in US dollars and Euros and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss	
Effect in Rs	**Strengthening**	**Weakening**
31 March 26		
1% movement		
USD	(0.33)	0.33
EUR	(0.38)	0.38
Others #	(0.00)	0.00
	(0.71)	**0.71**

	Profit or loss	
Effect in Rs	**Strengthening**	**Weakening**
31 March 25		
1% movement		
USD	(0.64)	0.64
EUR	(0.56)	0.56
Others #	(0.00)	0.00
	(1.20)	**1.20**

Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Group's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

	31 March 26	31 March 25
Fixed-rate instruments		
Financial liabilities - measured at amortised cost		
Term Loan & vehicle loan	93.45	103.91
Floating-rate instruments		
Financial liabilities - measured at amortised cost		
From banks in rupees	111.83	111.45
Total	**205.28**	**215.36**

* Deferred Sales Tax scheme is not included above since it does not bear any interest.

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	**25 bp decrease**
31 March 26		
Variable-rate loan instruments	(0.28)	0.28
Cash flow sensitivity (net)	**(0.28)**	**0.28**
31 March 25		
Variable-rate loan instruments	(0.28)	0.28
Cash flow sensitivity (net)	**(0.28)**	**0.28**

52 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves . The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt including lease liability less cash and bank balances.

	31 March 26	31 March 25
Non-current borrowings and lease liabilities	116.56	209.17
Current borrowings and lease liabilities	203.53	184.33
Gross debt	**320.09**	**393.50**
Less - Cash and cash equivalents	1,087.55	942.25
Less - Other bank deposits	71.76	134.60
Adjusted net debt	**(839.22)**	**(683.35)**
Total equity	16,319.57	14,208.63
Adjusted net debt to equity ratio	-*	-*

*At the end of current financial year the Group has excess cash and cash equivalent over gross debt.

53 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	31 March 26	31 March 25
a) Contingent liabilities		
Pertains to income tax demand/ matters on account of deductions/ disallowances for earlier years, pending for appeals consequent to order passed against the Company/ demands raised by the Department under Income Tax Act, 1961. Amount paid and adjusted there against and included under Income tax asset Rs 144.20 million (31 March 25: ₹ 144.20 million).	52.28	53.81
Pertains to Excise Duty and Service Tax demand raised by Commissioner of Central Excise, Customs and Service tax on account of inadmissible CENVAT credit, incorrect product classification and service tax levy on directors' remuneration for various periods. Amount paid there against and included under note 17 'Other current assets'.	16.12	28.52
The Andhra Pradesh Electricity Regulatory Commission (APERC) has issued an order and press release regarding the Fuel and Power Purchase Cost Adjustment (FPPCA) under OP No. 57 to 68 of 2024 for the year 2022-23 and OP No. 69, 70 and 71 of 2024 for the year 2023-24. As per this order, the DISCOM is required to recover the FPPCA true-up amounts for the years 2022-23 and 2023-24 from consumers, at rates determined by the commission spread over 15 and 24 monthly installments respectively.	10.74	10.74
	79.14	**93.07**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

In respect of above contingent liabilities, it is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the same.

	31 March 26	31 March 25
b) Commitments		
Estimated amount of commitments remaining to be executed		
- Capital (net of advances)	389.94	123.81
	469.08	**216.88**

54 RESEARCH AND DEVELOPMENT

The Group has incurred the following expenditure on research and development activities:

	Year ended 31 March 26	Year ended 31 March 25
Revenue expenditure		
Laboratory expenses and consumables	37.22	33.13
Employee benefit expenses	135.51	113.05
Legal and professional charges	10.70	9.86
Technical services	14.86	24.64
Electricity	13.91	15.20
Rent, rates and taxes	3.23	2.34
Repairs and maintenance	10.22	11.57
Travelling and conveyance expenses	2.93	2.47
Other expenses	6.37	3.74
	234.95	**216.00**
Capital expenditure		
Plant and equipment	10.31	25.16
Furniture and fixture	0.15	0.39
Office equipment	0.31	2.82
Computer and data processing equipments	0.75	1.14
Vehicles	-	2.68
Building	-	0.15
	11.51	**32.34**

55 CORPORATE SOCIAL RESPONSIBILITY

As required by section 135 of Companies Act, 2013 and Rules therein, a Corporate social responsibility committee has been formed for the Parent Company and its subsidiary (JC Biotech Private Limited). All the companies had spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31 March 26	For the year ended 31 March 25
1) amount required to be spent by the group during the year	23.75	20.82
2) amount of expenditure incurred *	23.75	20.82
3) shortfall at the end of the year	-	-
4) total of previous years shortfall	-	-
5) reason for shortfall	Not applicable	Not applicable
6) nature of CSR activities	Promotion of education, Environment sustainability and skill development	
7) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
8) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	22.67	10.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

*In Parent Company the Committee of Corporate Social Responsibility had approved the budget of Rs 22.50 million (31 March 25: 19.24 million), the Company contributes to the various projects undertaken by various organisations. During the year the amount spent is Rs 0.34 million (31 March 25: Rs 7.97 million) on the ongoing projects and Rs 1.64 million towards current year project (31 March 25: Rs 0.5 million). The Company has deposited the balance unspent amount of Rs 20.52 million (31 March 25: Rs 10.77 million) in a separate bank account.

During the year Advanced Bio-Agro Tech Limited has spent is Rs 1.25 million and (31 March 25: Rs 1.53 million) on the ongoing projects. The Company has spent the full amount of Rs 1.25 million as on 31 March 26 (31 March 25: Rs 1.53 million)

During the year Scitech Specialties Private Limited has spent ₹ Nil (31 March 25: Rs 0.50 million) and has transferred the balance unspent amount of Rs Nil in a separate bank account.

During the immediate preceeding financial year JC Biotech Private Limited ("JCB"), Advanced Enzytech Solutions Limited ("AESL") and Saiganesh Enzytech Solutions Private Limited ("SESPL") were not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more and hence, provisions of Section 135 of the Act are not applicable to JCB, AESL and SESPL during the year.

56 THE CODE ON SOCIAL SECURITY 2020

On November 21, 25, the Government of India notified the four Labour Codes – the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 – consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and Frequently Asked Questions (FAQs) to enable assessment of the financial impact due to changes in regulations.

The Group has assessed and disclosed the incremental impact of these changes on the basis of current remuneration structure. The current assessment is based on the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact under "Exceptional Items" in the consolidated financial results.

The impact for the year ended 31 March 26 pertaining to gratuity is ₹ 46.30 million and compensated absences is ₹ 1.51 million The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would accordingly take necessary steps for compliance thereof and also provide appropriate accounting effect on the basis of such developments, as needed.

57 OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 26 (CONTD.)

(₹ in million)

(ix) The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(x) The Group has not entered into any scheme of arrangement which has an accounting impact in the current or previous financial year.

(xi) Title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective entities in the Group.

58 PROPOSED DIVIDEND

The Board of Directors recommended a final dividend for the financial year 25-26 of ₹ 1.35/- (31 March 25: ₹ 1.20) per equity share of the face value of ₹ 2/- each, and the same will be paid after approval of shareholders in the Annual General Meeting of the Company.

59 Previous year amounts have been regrouped/ reclassified wherever necessary.

As per our report of even date attached

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No: 105047W/W101187

Amrish Vaidya
Partner
Membership No: 101739

Place: Thane
Date: 9 May 2026

For and on behalf of the Board of
Advanced Enzyme Technologies Limited

Mukund Kabra
Wholetime Director
DIN : 00148294
Place: California, USA

Vinodkumar Jajoo
Director
DIN : 08224980
Place: Nashik

Sanjay Basantani
Company Secretary
Membership No: A19637

Beni. P. Rauka
Chief Financial Officer
Membership No: 039980

Place: Thane
Date: 9 May 2026

Place: Thane
Date: 9 May 2026

FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Financial Year 2025-2026

Part "A": Subsidiaries

(₹ in million except % of shareholding & exchange rate)

Sr. No.	1	2	3	4	5	6	7	8	9
CIN/ any other registration number of subsidiary company	U24100MH2004PLC149464	U24200MH2008PLC186383	U65993TG1991PTC013624	U85190MH2007PTC175484	3330443	69174830	HRB56230	U01100MP2022PTC063261	U46497MH2025PTC451831
Name of the subsidiary	Advanced Bio-Agro Tech Limited	Advanced Enzytech Solutions Limited	JC Biotech Private Limited	SciTech Specialities Private Limited	Advanced Enzymes USA	Advanced Enzymes Europe B.V	evoxx technologies GmbH	Saiganesh Enzytech Solutions Private Limited	Advanced Nutrazyme Private Limited
Date since when subsidiary was acquired / incorporated	09-11-2004	01-09-2008	01-12-2016	11-01-2021	01-11-2010	11-07-2017	15-08-2017	03-01-2023	04-07-2025
Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/ Section 2(87)(ii))	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(i)	Section 2(87)(ii)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries #	INR	INR	INR	INR	USD	EUR	EUR	INR	INR
Share capital	1.00	0.70	207.11	10.20	285.83	674.79	16.25	39.98	0.50
Reserves & surplus	257.22	53.59	454.45	530.00	9,369.26	-41.12	121.92	99.40	-0.17
Total assets	290.51	76.10	868.18	748.68	9,798.20	755.30	206.91	178.94	1.46
Total Liabilities	32.29	21.81	206.61	208.48	143.11	121.63	68.75	39.56	1.13
Investments	70.16	35.64	-	-	4,821.93	-	-	-	-
Turnover	555.95	171.26	727.81	669.38	2,122.18	319.21	319.21	157.03	0.02
Profit before taxation	87.12	17.58	39.59	60.56	1,069.69	15.31	49.77	29.64	-0.17
Provision for taxation	21.45	3.91	10.14	15.70	286.01	-10.07	-	7.50	-
Profit after taxation	65.67	13.68	29.45	44.86	783.68	25.38	49.77	22.14	-0.17
Proposed Dividend	-	-	-	-	-	-	-	-	-
% of shareholding	60	100	95.72	51	100	100	100	50	100

Notes:-

1. The financials of Advanced Enzymes USA are consolidated financials and includes financials of step-down subsidiaries of the Company viz.; Cal-India Foods International Inc., USA, Advanced Supplementary Technologies Corporation, USA, Enzyme Innovation, Inc. and Starya Labs Inc.
2. The financials of Advanced Enzymes Europe B.V. are consolidated financials and includes financials of evoxx technologies GmbH, step down subsidiary of the Company.
3. Names of the Subsidiaries which are yet to commence the operations: Starya Labs Inc. (wholly-owned subsidiary of Advanced Enzymes USA)
4. Names of the Subsidiaries which have been sold or liquidated during the year: Nil

FORM NO. AOC-1 (Contd.)

5. The figures for foreign subsidiaries are arrived on the basis of exchange rate as on March 31, 2026:

# Exchange Rate on 31.03.2026:	Average Exchange Rate for financial year 2025-26:
1 USD = INR 94.65	1 USD = INR 88.31
1 EUR = INR 109.01	1 EUR = INR 102.46

Part "B": Associates & Joint Ventures – NIL

For and on behalf of the Board of Directors of
Advanced Enzyme Technologies Limited

Mukund Kabra	**Vinodkumar Jajoo**	**Beni P. Rauka**	**Sanjay Basantani**
Whole Time Director	Director	Chief Financial Officer	Company Secretary and Head – Legal
DIN: 00148294	DIN: 08224980	Membership No.: 039980	Membership No.: A19637
Place: California, USA	Place: Nashik	Place: Thane	Place: Thane
Date: May 09, 2026	Date: May 09, 2026	Date: May 09, 2026	Date: May 09, 2026

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Advanced Enzyme Technologies Limited
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