

Independent Auditor's Report on Standalone Audited Annual Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended

To the Board of Directors of Advanced Enzymes Technologies Limited

Report on the Audit of Standalone Financial Results

Opinion

We have audited the accompanying statement of standalone annual financial results of **Advanced Enzymes Technologies Limited** (hereinafter referred to as 'the Company') for the year ended March 31, 2023 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- (i) is presented in accordance with the requirements of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit 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 results 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in accordance with the Indian Accounting Standards



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prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. 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 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company 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 are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Statement.

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 Statement, 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 the Board of Directors.
- Conclude on the appropriateness of the 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 Company 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 Statement 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.



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- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company 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.

Other Matters

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our opinion is not modified in respect of the above matter.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W



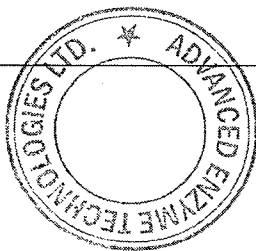
Amrish Vaidya
Partner
Membership No. 101739
UDIN: 23101739BGXTUN3687



Place: Mumbai
Date: May 13, 2023

Statement of standalone assets and liabilities

		₹ in million	
Particulars	As at 31 March 2023 Audited	As at 31 March 2022 Audited	
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1,424.45	1,315.37	
(b) Capital work-in-progress	56.06	32.45	
(c) Other Intangible assets	4.13	4.88	
(d) Intangible assets under development	54.19	54.39	
(e) Financial Assets			
(i) Investments			
- Investment in subsidiaries	1,854.20	1,726.22	
- other investment	0.62	0.62	
(ii) Loans	333.43	243.49	
(iii) Other financial assets	19.69	14.06	
(f) Income tax asset (net)	110.91	126.80	
(g) Other non-current assets	8.94	11.08	
Total non-current assets	3,866.62	3,529.36	
(2) Current Assets			
(a) Inventories	767.89	800.77	
(b) Financial Assets			
(i) Investments	159.90	166.84	
(ii) Trade receivables	666.68	490.85	
(iii) Cash and cash equivalents	94.49	134.98	
(iv) Bank balances other than (iii) above	152.74	44.77	
(v) Loans	0.42	57.99	
(vi) Other financial assets	3.07	13.76	
(c) Other current assets	46.19	56.90	
Total current assets	1,891.38	1,766.86	
Total assets	5,758.00	5,296.22	
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	223.65	223.60	
(b) Other equity	5,029.67	4,579.93	
Total equity	5,253.32	4,803.53	
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liability	14.45	9.51	
(b) Provisions	3.15	8.62	
(c) Deferred tax liabilities (net)	118.10	111.48	
Total non-current liabilities	135.70	129.61	
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	0.07	1.75	
(ii) Lease liability	7.96	4.57	
(iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	17.54	5.40	
b) total outstanding dues of creditors other than micro enterprises and small enterprises	163.76	197.19	
(iv) Other financial Liabilities	120.58	105.31	
(b) Other current liabilities	36.23	27.46	
(c) Provisions	19.92	20.58	
(d) Current tax liabilities (net)	2.92	0.82	
Total current liabilities	368.98	363.08	
Total equity and liabilities	5,758.00	5,296.22	



U. W. Kahra

Advanced Enzyme Technologies Limited

CIN No.: L24200MH1989PLC051018

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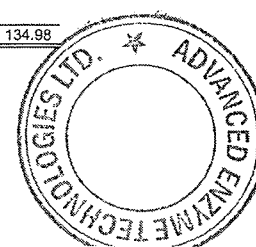
Website: www.advancedenzymes.com, Email Id :sanjay@advancedenzymes.com

	31 March 2023 Rs. in million Audited	31 March 2022 Rs. in million Audited
A. Cash flows from operating activities		
Profit before tax	742.78	720.72
	<u>742.78</u>	<u>720.72</u>
Adjustments for non-cash transactions		
Depreciation and amortization expense	102.83	95.61
Property, plant and equipment written off	6.87	-
Loss / (Profit) on sale of property, plant and equipment	7.85	(11.81)
Bad debts written off	-	0.96
Provision for doubtful trade receivables provided / (written back)	4.40	0.25
Excess provision written back	(1.28)	(2.99)
Sundry balances written off/ (back) (net)	0.42	0.11
Unrealized foreign exchange loss/(gain)	(0.96)	0.05
Fair value adjustment on investments	(5.12)	(2.24)
	<u>857.79</u>	<u>800.66</u>
Items considered separately		
Interest income	(34.04)	(25.92)
Interest expenses	1.35	0.95
Dividend income	(31.60)	(38.20)
	<u>793.50</u>	<u>737.49</u>
Operating profit before working capital changes		
Adjustments for working capital changes:		
(Increase) / Decrease in Non-current loans	-	37.96
(Increase) / Decrease in Other non-current financial assets	(5.62)	(1.39)
(Increase) / Decrease in other non-current assets	0.52	(1.16)
(Increase) / Decrease in inventories	32.89	(166.54)
(Increase) / Decrease in trade receivables	(179.22)	55.57
(Increase) / Decrease in Current loans	(0.26)	(37.78)
(Increase) / Decrease in other current financial assets	10.71	2.24
(Increase) / Decrease in Other current assets	10.70	(0.50)
(Decrease) / Increase in provisions	0.48	(0.92)
(Decrease) / Increase in trade payables	(20.49)	(20.07)
(Decrease) / Increase in other current financial liabilities	15.53	12.89
(Decrease) / Increase in other current liabilities	8.77	(32.34)
Cash generated from operating activities	<u>667.51</u>	<u>585.44</u>
Income taxes paid (net)	(164.55)	(214.42)
Net cash generated from operating activities	<u>502.96</u>	<u>371.02</u>
B. Cash flows from investing activities		
Purchase of property, plant and equipment (tangible and intangible both)	(234.24)	(105.37)
Proceeds from sale of property, plant and equipment	1.51	12.44
Purchase of intangible assets (net of refunds)	(0.54)	(0.60)
Purchase of non-current investments	(127.97)	(211.25)
(Purchase) / Proceeds from sale of current investments (net)	12.05	163.08
Interest received	1.93	0.42
Dividend received	31.60	38.20
(Increase) / Decrease in bank deposits with maturity more than 3 months but less than 12 months	(107.88)	(39.29)
(Increase) / Decrease in bank deposits with maturity of more than 12 months #	(0.00)	(0.00)
Net cash (used in) investing activities	<u>(423.54)</u>	<u>(142.37)</u>
C. Cash flows from financing activities		
Proceeds from issue of share capital including securities premium	1.42	4.34
Repayment of long-term borrowings (net)	-	(1.75)
Repayment of short-term borrowings (net)	(1.69)	(5.44)
Interest paid	(1.35)	(0.95)
Payment of Lease liabilities	(6.47)	(4.32)
Dividends paid (including dividend distribution tax)	(111.82)	(100.60)
Net cash (used in) financing activities	<u>(119.91)</u>	<u>(108.72)</u>
Net (decrease) / increase in cash and cash equivalents (A+B+C)	<u>(40.49)</u>	<u>119.93</u>
Cash and cash equivalents as at the beginning of the period	134.98	15.05
Cash and cash equivalents as at the end of the period	<u>94.49</u>	<u>134.98</u>
Composition of cash and cash equivalents		
Cash in hand	0.45	0.42
Balance with banks :		
Current account	94.04	134.56
Fixed deposit account (with maturity less than 3 months)	-	-
	<u>94.49</u>	<u>134.98</u>

Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00



CEO, AET



Notes:

- (i) The above standalone financial results of the Advanced Enzyme Technologies Limited ('the Company') were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 13 May 2023. The above results have been audited by the statutory auditors of the Company and they have expressed an unmodified opinion. The audit report will be filed with stock exchanges and will be available on the Company's website. The above results has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies in India.
- (ii) The Company operates only in one business segment viz. 'manufacturing and sales of enzymes'.
- (iii) The Company has allotted 2,000 equity shares during the quarter ended 31 March 2023 and 23,400 equity shares during the year ended 31 March 2023 to employees under the 'AETL Employee Stock Option Scheme 2015' ('AETL ESOS 2015').
- (iv) The Shareholders at its Annual General meeting held on August 19, 2022 approved the Employee Stock Option Scheme 2022 ('ESOP Scheme 2022') of the Company and its extension to the subsidiaries of the Company. National Stock Exchange of India Limited and BSE Limited (Stock Exchanges) vide their letter/e-letter dated October 06, 2022 and October 18, 2022 respectively granted its 'In-Principle' approval for listing of 2,500,000 Equity Shares of Rs. 2 each which may arise out of exercise of Options as and when exercised from time to time subject to the prescribed conditions. The Company has not yet granted any Options under the ESOP Scheme 2022."
- (v) On 3 January 2023, the Company has acquired additional stake of 4.83% in its subsidiary JC Biotech Private Limited for a consideration of Rs 68.00 million. Post this additional acquisition the Company holds 89.83% stake in the subsidiary.
- (vi) On 3 January 2023, the Company completed the acquisition of 50% of the paid up equity share capital by subscription of 19,991,663 equity shares in Saiganesh Enzytech Solutions Private Limited ('SESPL') having face value of Rs 1 per share for a total consideration of Rs 59.97 million. SESPL is primarily engaged into extracting Latex from papaya, purifying and providing finish papain enzyme in liquid form (agriculture extraction of Papain enzyme)
- (vii) On 18 August 2021, the Company had acquired additional stake of 15% in its subsidiary JC Biotech Private Limited for a consideration of Rs 211.25 million. Post this additional acquisition the Company holds 85% stake in the subsidiary.
- (viii) The figures for the quarter ended 31 March 2023 and corresponding quarter ended in previous year as reported in these standalone financial results are the balancing figures between standalone audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
- (ix) The Board of Directors declared an interim dividend of Rs 4/- per equity share. The record date for the payment is 20 May 2023. The interim dividend will be paid on or before 11 June 2023.
- (x) Effective date 7 April 2023, loan given by the Company to Advanced Enzymes Europe B.V. (AEEBV) including the outstanding interest aggregating to Rs 329 million got converted into 2,276,837 fully paid up equity shares. The value per equity share is EUR 1.63 and the face value of EUR 1 per share. Pursuant to this conversion, the Company now holds 4,276,837 equity share of AEEBV and the Company continues to be 100% shareholder of AEEBV.
- (xi) The Board of Directors in its meeting held on 13 May 2023 have proposed the final dividend for the financial year 2022-23 of Rs 1 per equity share and the same will be paid after approval of the shareholders in Annual General Meeting of the Company.
- (xii) Previous year / period amounts have been regrouped / reclassified wherever necessary.

Place: Nashik
Dated: 13 May 2023



By Order of the Board of Directors
For Advanced Enzyme Technologies Limited
CIN: L24200MH1989PLC051018

M. M. Kabra

M. M. Kabra
Wholtime Director
DIN : 00148294

Advanced Enzyme Technologies Ltd.

CIN: L24200MH1989PLC051018

Sun Magnetica, 'A' wing, 5th Floor, LIC Service Road, LouiSwadi, Thane (W)-400 604, India

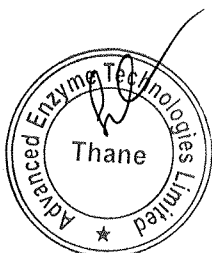
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Annexure – III(a)

Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CIR/CFD/CMD/4/2015 dated September 09, 2015 – Appointment of Ms. Vandana R. Tilak as an Additional Director (Independent):

Reason for change viz. appointment, resignation, removal, death or otherwise;	Appointment
Date of appointment & term of appointment	July 01, 2023 Subject to approval of the Members at the ensuing AGM of the Company, Ms. Vandana R. Tilak shall hold office as an Independent Director for a period of 5 (five) years effective from July 01, 2023.
Brief profile	Ms. Vandana R. Tilak is a social entrepreneur and visionary with exceptional sales, fundraising, and marketing skills to lead teams and pivot on the ever-changing revenue generation landscape. Ms. Vandana has launched several companies in film making, ayurveda, real estate and the family engineering firm Almex USA, Inc. Almex is a niche company that provides cast house technology solutions for manufacturing aerospace grade aluminum alloys. She is currently working as Director and CEO for the Akshaya Patra Foundation USA.
Disclosure of relationships between directors	Ms. Vandana R. Tilak is not Related to any Directors of the Company.
Information as per circular No. LIST/COMP/14/2018-19 and NSE/CML/2018/24 dated June 20, 2018 issued by BSE and NSE respectively.	Ms. Vandana R. Tilak is not debarred from holding the office of Director by virtue of any SEBI order or any such other authority.



Annexure – III(b)

Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CIR/CFD/CMD/4/2015 dated September 09, 2015 – Re-appointment of Mr. Vinodkumar Hiralal Jajoo as an Independent Director:

Reason for change viz. appointment, resignation, removal, death or otherwise;	Re-appointment
Date of appointment & term of appointment	February 09, 2024 Subject to approval of the Members at the ensuing AGM of the Company, Mr. Vinodkumar Hiralal Jajoo shall hold office as an Independent Director for a period of 5 (five) years effective from February 09, 2024.
Brief profile	Mr. Vinodkumar Hiralal Jajoo in Direct-Indirect Tax Practice for around last 35 years. He is having vast experience in all types of Audit and Taxation Work.
Disclosure of relationships between directors	Mr. Vinodkumar Hiralal Jajoo is not Related to any Directors of the Company.
Information as per circular No. LIST/COMP/14/2018-19 and NSE/CML/2018/24 dated June 20, 2018 issued by BSE and NSE respectively.	Mr. Vinodkumar Hiralal Jajoo is not debarred from holding the office of Director by virtue of any SEBI order or any such other authority.



Annexure – III(c)

Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 – Re-appointment of Ms. Rajshree Patel as an Independent Director:

Reason for change viz. appointment, resignation, removal, death or otherwise;	Re-appointment
Date of appointment & term of appointment	June 12, 2023 Subject to approval of the Members at the ensuing AGM of the Company, Ms. Rajshree Patel shall hold office as an Independent Director for a period of 3 (Three) years effective from June 12, 2023.
Brief profile	A lawyer by education, Ms. Rajshree Patel was a prosecutor for the United States Attorney's Office and Los Angeles District Attorney's Office before becoming a highly sought-after and prolific Organizational, Strategy and Executive Leadership Consultant. With three decades of experience, she has facilitated 6,500+ workshops globally. She has conducted programs and led speaking engagements at various companies. Ms. Patel maximizes individual potential and organizational performance with a unique understanding of organizational development, dynamics and strategy. She has served as lead project manager for major global initiatives, and raised millions of dollars for social service projects.
Disclosure of relationships between directors	Ms. Rajshree Patel is not Related to any Directors of the Company.
Information as per circular No. LIST/COMP/14/2018-19 and NSE/CML/2018/24 dated June 20, 2018 issued by BSE and NSE respectively.	Ms. Rajshree Patel is not debarred from holding the office of Director by virtue of any SEBI order or any such other authority.

