Independent Auditor's Report

To the Members of Advanced Enzytech Solutions Limited

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Advanced Enzytech Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 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.

Responsibilities of Management and Those Charged with Governance for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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

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judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management'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

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judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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.

- Conclude on the appropriateness of management'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

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related disclosures in the 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 financial statements, including the disclosures, and whether the 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 financial statements of the current period 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.

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 Companies Act, 2013, we give in the Annexure "1", 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 ourknowledge and belief were necessary for the purpose of our audit;

   b) In our opinion, proper books of account as required by law relating to preparation of the standalone financial statements have been kept by the Company so faras it appears from our examination of those books;

   c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other ComprehensiveIncome, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report arein agreement with the books of accounts maintained for the purpose of preparation of the standalone Ind AS financial statement;

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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e) On the basis of written representations received from the directors as on March 31, 2023, and takenon record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 over financial reporting of the company with reference to these standalone Ind AS financial statements and the operatingeffectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has not been paid/provided by the Company to its Directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of ourinformation 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 Ind AS financial statements.

   ii) The Company did not have any long-term contracts including derivative contracts for whichthere were any material foreseeable losses.

   iii) There were no amounts which were required to be transferred to the InvestorEducation and Protection Fund by the Company.

   iv) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 persons or entities, including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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.

   v) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entities, including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, 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.

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vi) The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

3. In accordance with the directions issued under section 143(5) of the Act, we further report that:

a) The Company has system in place to process all the accounting transaction through IT system and there is no implication of processing of accounting transaction outside IT system.

b) There are no case/cases of restructuring of an existing loan or cases of waiver/write off of loans/interest etc. made by a lender to the company at all.

c) The Company does not receive any funds from central/state agencies for specific schemes.

For Desai Associates
Chartered Accountants
FRN: 102286W

Desai Associates ★ Mumbai ★ Chartered Accountants

Shree Gopal Didwaniya
Partner
Membership Number: 139202
UDIN:23139202BGWODL2048
Place: Mumbai
Date: 06/05/2023

Annexure "1" to the Independent Auditor's report

Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even dateto the financial statements of the Company for the period ended March 31, 2023:

1.a) The company is maintaining proper records showing full particulars, including quantitative details of property plant and equipment and the Company does not have any intangible assets.

b) The property plant and equipment of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.

c) The company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, the requirements under clause (i)(c) of paragraph 3 of the Order are not applicable to the Company.

d) The company does not revalue its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) The company does not have any proceedings initiated or are pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. a) As explained to us, the physical verification of inventory has been conducted at reasonable intervals by the management. As informed to us, no material discrepancy was noticed on such physical verification.

b) In our opinion and according to the information and explanation given to us, the company does not been sanctioned any working capital loans from banks or financial institutions on the basis of security of current assets. Accordingly, the requirements under clause (ii) of paragraph 3 of the Order are not applicable to the Company.

3. In our opinion and according to the information and explanation given to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties. Accordingly, clauses (iii)(a) to (iii)(f) of paragraph 3 of the Order not applicable to the Company for the year.

4. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and securities, the company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013.

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Mumbai
Chartered Accountants

5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the company.

7. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, cess, Goods and service tax and any other statutory dues with the appropriate authorities.

According to the information and explanation given to us, no disputed amounts payable in respect of provident fund, Income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, Goods and service tax, cess and other material statutory dues were in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

b) According to information and explanations given to us and on the basis of our examination of the books of account, and records, there is no any statutory dues outstanding as on Balance Sheet Date which have not been deposited on account of a dispute.

8. In our opinion and according to the information and explanations given to us, the Company does not have any transactions which not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence the company does not have any previously unrecorded income which has been properly recorded in the books of account during the year.

9. In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings during the year. Accordingly, clause (ix)(a) to clause(ix)(f) of paragraph 3 of the order is not applicable to the company.

10. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause (x)(a) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of clause (x)(b) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

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11. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period.

b) Since the company does not made any fraud as mentioned in sub-clause(a), hence no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) In our opinion and according to the information and explanations given to us, the company does not receive any whistle- blower complaints during the year.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

13. According to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

14. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business.

b) The company does not fall within purview of section 138 of the company, 2013. Accordingly, the provisions of clause (xiv)(b) of paragraph 3 of the Order are not applicable to the Company

15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause (xvi) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

17. In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. In our opinion and according to the information and explanations given to us, there has not been any resignation of the statutory auditors during the year. Accordingly, the provisions of clause (xviii) of paragraph 3 of the Order are not applicable to the Company.

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19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, in our opinion and according to the information and explanations given to us, no material uncertainty exists as on the date of the audit report that company is 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.

20. Since the provisions of section 135 of companies act, 2013 are not applicable to the company. Accordingly, the provisions of clause (xx) of paragraph 3 of the Order are not applicable

21. In our opinion, the company is a step down subsidiary company. Accordingly, the provisions of clause (xxi) of paragraph 3 of the Order are not applicable to the Company.

For Desai Associates
Chartered Accountants
FRN: 102286W

Desai Associates
Mumbai
Chartered Accountants

Shree Gopal Didwaniya
Partner
Membership Number: 139202
UDIN: 23139202BGWODL2048
Place: Mumbai
Date: 06/05/2023

ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ADVANCED ENZYTECH SOLUTIONS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ADVANCED ENZYTECH SOLUTIONS LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

Desai Associates ★ Mumbai ★ Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting 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 issued by the Institute of Chartered Accountants of India.

For Desai Associates
Chartered Accountants
FRN: 102286W

Desai Associates
Mumbai
Chartered Accountants

Shree Gopal Didwaniya
Partner
Membership Number: 139202
UDIN: 23139202BGWODL2048
Place: Mumbai
Date: 06/05/2023

Advanced Enzytech Solutions Limited
CIN: U24200MH2008PLC186383
Balance Sheet
as at 31 March 2023
(Rs. in thousand)

	Note	As at 31 March 2023	As at 31 March 2022
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	61.96	86.20
(b) Deferred tax assets (net)	4	417.56	315.98
(c) Income tax asset		69.13	-
Total non-current assets		548.65	402.18
(2) Current Assets			
(a) Inventories	5	72.02	37.61
(b) Financial Assets			
(i) Investments	6	3,005.72	15,834.92
(ii) Trade receivables	7	33,775.43	33,970.08
(iii) Cash and cash equivalents	8	2,703.31	1,111.62
(iv) Bank balances other than (iii) above	8.1	21,000.00	-
(iv) Other	9	272.06	-
(c) Other current assets	10	129.17	2,255.63
		60,957.71	53,209.86
Total current assets		60,957.71	53,209.86
Total assets		61,506.35	53,612.04
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	11	700.00	700.00
(b) Other equity			
(i) Reserves			
1.1 Other Reserves	12	47,652.77	40,793.77
Equity attributable to equity holders of the parent		48,352.77	41,493.77
Total equity		48,352.77	41,493.77
(2) Non current liabilities			
(a) Provisions	13	437.61	420.36
Total non current liabilities		437.61	420.36
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	14		
- Outstanding dues of micro enterprises and small enterprises		9.89	9.89
- Outstanding dues of creditors other than micro enterprises and small enterprises		949.87	-
(ii) Other financial Liabilities	15	10,609.87	9,748.49
(b) Other current liabilities	16	833.98	1,508.21
(c) Provisions	13	268.61	275.33
(d) Liabilities for current tax (net)		43.76	156.00
Total Current liabilities		12,715.97	11,697.91
Total liabilities		61,506.35	53,612.04

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

In terms of our report attached
For **Desai Associates**
Chartered Accountants
Firm Registration No. 102286W

Desai Associates Mumbai Chartered Accountants

Shree Gopal Didwaniya
Partner
M. No.: 139202
Place : Mumbai
Date : 06.05.2023

For and on behalf of Board of Directors of
Advanced Enzytech Solutions Limited
CIN No: U24200MH2008PLC186383

M.M.Kabra

Mukund M. Kabra
Director
DIN: 00148294
Place : Thane
Date : 06.05.2023

Dipak R. Roda
Director
DIN: 02256737
Place : Thane
Date : 06.05.2023

Advanced Enzytech Solutions Limited Thane

Advanced Enzytech Solutions Limited
CIN: U24200MH2008PLC186383
Statement of Profit and Loss
for the year ended 31 March 2023
(Rs. in thousand)

	Note	As at 31 March 2023	As at 31 March 2022
INCOME			
Revenue from contracts with customers	17	1,34,378.67	1,18,718.50
Other Income	18	1,937.21	888.53
Total Income (I + II)		**1,36,315.88**	**1,19,607.03**
Expenses:			
Cost of materials consumed	19	98,116.45	82,859.72
Employee benefits expense	20	9,850.14	9,422.15
Finance costs	21	364.78	294.54
Depreciation and amortization expense	22	24.24	58.69
Other expenses	23	3,642.36	2,692.42
Total expenses		**1,11,997.97**	**95,327.51**
Profit before tax (III- IV)		**24,317.90**	**24,279.51**
Tax expenses:	28		
1. Current tax		6,376.13	6,097.39
(Excess) / short provision for earlier years		24.45	-
Net current tax		6,400.59	6,097.39
2. Deferred tax		(111.67)	(20.18)
Profit for the year (V - VI)		**18,028.99**	**18,202.30**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss - Remeasurement of Defined Benefit Plans		(40.11)	(1.24)
(ii) Income tax related to items that will not be reclassified to profit or loss	28	10.09	0.31
		(30.01)	**(0.92)**
Total comprehensive income for the period		**18,059.00**	**18,203.23**
Earnings per equity share	26		
Basic earnings per share		**257.56**	**260.03**
Diluted earnings per share		**257.56**	**260.03**

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

In terms of our report attached
For **Desai Associates**

Chartered Accountants
Firm Registration No. 102286W

Desai Associates ★ Mumbai ★ Chartered Accountants

Shree Gopal Didwaniya
Partner
M. No.: 139202
Place : Mumbai
Date : 06.05.2023

For and on behalf of Board of Directors of
Advanced Enzytech Solutions Limited

CIN No: U24200MH2008PLC186383

M. M. Kabra

Mukund M. Kabra
Director
DIN: 00148294
Place : Thane
Date : 06.05.2023

Dipak R. Roda
Director
DIN: 02256737
Place : Thane
Date : 06.05.2023

Advanced Enzytech Solutions Limited
CIN: U24200MH2008PLC186383
Cash Flow Statement for the period ended 31 March 2023
(Rs. in thousand)

	In Rupees	
	31 March 2023	**31 March 2022**
A. Cash flow from operating activities :		
Net profit before tax	24,317.90	24,279.51
Adjustment for :		
Depreciation	24.24	58.69
Interest	364.12	293.89
Provision for/ (write back of) doubtful debts and advances (net)	426.29	(201.46)
Bad debts written off	-	28.91
Interest Income	(470.47)	(198.17)
Fair value adjustment on investments	287.94	(318.81)
Actuarial gains and losses taken to OCI	40.11	1.24
Operating Cash Flows before Working Capital Changes	24,990.13	23,943.80
Changes in working capital:		
Adjustments for working capital changes:		
Inventories	(34.41)	34.54
Trade Receivables	(231.64)	2,679.94
Other Current Asset	2,126.47	179.73
Other Current Financial Assets	(272.06)	194.49
Trade Payables	949.87	(3,588.16)
Other Current Financial liabilities	861.38	1,114.22
Other Current Liabilities	(674.23)	98.61
Provisions	10.54	124.21
Cash Generated from Operations	27,726.04	24,781.39
Net Income tax paid	(6,581.96)	(5,810.50)
Net Cash Flow from Operating Activities	21,144.09	18,970.89
B. Cash Flow from Investing Activities		
Proceeds / (Purchase) from sale of current investments (net)	12,541.26	(15,516.11)
Interest income	470.47	198.17
Net Cash (Used) / generated in Investing Activities	13,011.73	(15,317.94)
C. Cash Flow from Financing Activities		
Interest paid	(364.12)	(293.89)
Dividends paid (including dividend tax)	(11,200.00)	(11,200.00)
Net Cash (Used) / generated in Financing Activities	(11,564.12)	(11,493.89)
Net increase / (decrease) in Cash and Cash Equivalents	22,591.69	(7,840.94)
Cash and Cash Equivalents as at the beginning of the year	1,111.62	8,952.55
Cash and Cash Equivalents as at the end of the year	23,703.31	1,111.62

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

In terms of our report attached of even date
For DESAI ASSOCIATES
Chartered Accountants
FRN: 102286W

Desai Associates Chartered Accountants Mumbai

Shree Gopal Didwaniya
Partner
M. No.: 139202
Place : Mumbai
Date : 06.05.2023

For and on behalf of the board of direcors of
Advanced Enzytech Solutions Ltd
CIN No: U24200MH2008PLC186383

M. M. Kabra

Mukund M. Kabra
Director
DIN: 00148294
Place : Thane
Date : 06.05.2023

Dipak R. Roda
Director
DIN: 02256737
Place : Thane
Date : 06.05.2023

Advanced Enzytech Solutions Limited Thane

Advanced Enzytech Solutions Limited
CIN: U24200MH2008PLC186383
Statement of Changes in Equity (SOCIE)
for the year ended 31 March 2023
(Rs. in thousand)

(a) Equity share capital (refer note 11)

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	70,000	700.00	70,000	700.00
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	70,000	700.00	70,000	700.00
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	**70,000**	**700.00**	**70,000**	**700.00**

(b) Other equity (refer note 12)

Particulars	Reserves & Surplus Retained earnings	Other Comprehensive Income	Total Equity
Balance at 01 April 2021	**33,818.55**	**(28.01)**	**33,790.54**
Profit for the year	18,202.30	-	18,202.30
Other comprehensive income for the year	-	0.92	0.92
Total comprehensive income for the year	18,202.30	0.92	18,203.23
Dividends	(11,200.00)	-	(11,200.00)
Balance at 31 March 2022	**40,820.85**	**(27.08)**	**40,793.77**
Profit for the year	18,028.99	-	18,028.99
Other comprehensive income for the year	-	30.01	30.01
Total comprehensive income for the year	18,028.99	30.01	18,059.00
Dividends	(11,200.00)	-	(11,200.00)
Balance at 31 March 2023	**47,649.84**	**2.93**	**47,652.77**

General Reserve

General Reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss.

Remeasurements of Defined Benefit Plans
Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive Income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.

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

In terms of our report attached
For **Desai Associates**
Chartered Accountants
Firm Registration No. 102286W

Desai Associates Mumbai Chartered Accountants

Shree Gopal Didwaniya
Partner
M. No.: 139202
Place : Mumbai
Date : 06.05.2023

For and on behalf of Board of Directors of
Advanced Enzytech Solutions Limited
CIN No: U24200MH2008PLC186383

M.M.Kabra

Mukund M. Kabra
Director
DIN: 00148294
Place : Thane
Date : 06.05.2023

Dipak R. Roda
Director
DIN: 02256737
Place : Thane
Date : 06.05.2023

ADVANCED ENZYTECH SOLUTIONS LIMITED THANE

Advanced Enzytech Solutions Limited
CIN: U24200MH2008PLC186383

Notes to the Financial Statements for the year ended 31 March 2023

1 Overview of the Company

Advanced Enzytech Solutions Limited ("the Company") was incorporated on 1st September 2008 and is primarily engaged in business of industrial enzymes and auxiliaries.

2 Basis of preparation of financial statements

Statement of compliance

The Financial statements of the Company comply with all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements of the Company for the year ended 31 March 2023 were authorised for issue in accordance with a resolution of the directors on 06 May 2023.

Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the Company's functional currency.

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

2A Use of estimates

The preparation of the financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2022 are as follows:

a. Property, plant and equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the 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.

b. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

c. Recognition of deferred tax assets

Deferred tax assets are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Measurement of fair values

The Company's 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 meaasurements, 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.

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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.
- 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.

2B Significant accounting policies:

The accounting policies set out below have been applied consistently to the periods presented in the financial statements.

a. Revenue recognition

The company derives revenues primarily from sale of goods comprising of Bio-chemicals.

Effective 1 April 2018 the Company has applied Ind AS 115 "Revenue from contracts with customers" which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method and the comparative information in the statement of profit and loss is not restated – i.e., the comparative information continues to be reported under Ind AS 18. Refer Note 2B(a) – Significant accounting policies – Revenue recognition in the Annual Report of the Company for the year ended 31 March 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

The following is a summary of significant accounting policies related to revenue recognition:

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customers.

Use of significant judgements in revenue recognition.

• Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as turnover/product/prompt payment discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

• The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable.

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b. Property, plant and equipment and depreciation

i. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

ii. Subsequent expenditure related to an item of tangible assets are added to its book value only if they increase the future benefits from the exisiting asset beyond its previously assessed standard of performance.

iii. Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.

iv. The estimated useful life of assets are as follows:

Plant and equipment	15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computer and data processing equipment	3 years

Depreciation on tangible assets other than plant and equipment has been provided on Written Down Value method and on plant and equipment on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

v. An item of property, plant and equipment 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.

c. Impairment of Property, plant and equipments

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.

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d. Inventories

i. Inventories 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 first-in-first-out basis except for stock of not ordinarily interchangeable raw materials, which are determined on their specific individual costs. 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. Cost of finished goods and stock in process is determined on weighted average cost method.

e. Employee benefits

i. 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.

ii. **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.

iii. **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 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 Company policy.

f. 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 tax is computed and provided for in accordance with the applicable provisions of the Income Tax Act, 1961.

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g. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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.

Minimum Alternate Tax(MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

h.

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. All other borrowing costs are charged to revenue and recognized as an expense in the Statement of Profit and Loss.

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i. Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

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 of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

j. Leases

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease,based on the substance of the lease arrangement.

Assets taken on finance lease
A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalized and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets taken on operating lease
Leases other than finance leases are operating leases, and the leased assets are not recognized on the Company's balance sheet. Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

k. Cash and cash equivalents

Cash comprises of cash at bank and on hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

l. Operating cycle

All assets and liabilities have been classified as current or non-current as per criteria set out in the Schedule III to the Companies Act, 2013.

m. 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.

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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 profit or 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 profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

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 profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or 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 profit or 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 transactionin 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.

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 profit or 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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

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iii. Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

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 profit or 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.

n. Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

2C Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) on 31st March 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023

a)IND AS 1 – Presentation of Financial Statements

This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies. The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward. The Company does not expect this amendment to have any material impact in its financial statements

b)IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.The Company does not expect this amendment to have any material impact in its financial statements

c)IND AS 12 – Income Taxes

This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.The Company does not expect this amendment to have any material impact in its financial statements

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Advanced Enzytech Solutions Limited

CIN: U24200MH2008PLC186383

Notes to the Financial Statements for the year ended 31 March 2023

3 Property, Plant and Equipment

(Rs. in thousand)

	Plant and Equipment	Office Equipments	Furniture and Fixtures	Computers	Total
Gross block					
Balance as at 01 April 2021	66.88	169.57	2.94	293.97	533.35
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March 2022	**66.88**	**169.57**	**2.94**	**293.97**	**533.35**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March 2023	**66.88**	**169.57**	**2.94**	**293.97**	**533.35**
Accumulated depreciation and amortisation					
Balance as at 01 April 2021	31.78	152.29	2.67	201.72	388.47
Depreciation and amortisation	4.80	5.31	-	48.58	58.69
Reversal on account of assets written off	-	-	-	-	-
Balance as at 31 March 2022	**36.58**	**157.60**	**2.67**	**250.30**	**447.16**
Depreciation and amortisation	4.80	2.37	-	17.07	24.24
Balance as at 31 March 2023	**41.38**	**159.97**	**2.67**	**267.37**	**471.40**
Net block					
Balance as at 31 March 2022	30.30	11.97	0.26	43.67	86.20
Balance as at 31 March 2023	**25.50**	**9.60**	**0.26**	**26.60**	**61.96**

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4 Deferred Tax Assets (Net)

	In Rupees	
	31 March 2023	31 March 2022
The breakup of Deferred Tax Assets:		
Arising on account of timing difference in:		
- Property, plant and equipment	23.43	28.04
- Employee benefits	236.26	237.36
- Doubtful trade receivable	157.87	50.58
Deferred Tax Assets (Net)	417.56	315.98

5 Inventories

	In Rupees	
	31 March 2023	31 March 2022
(As taken, valued and certified by management)		
At lower of cost and net realisable value		
Raw materials	72.02	37.61
	72.02	37.61

6 Investments

	In Rupees	
	31 March 2023	31 March 2022
Investments in the Mutual funds		
Aditya Birla Sun Life- Low Duration Fund Growth- Direct (No. of units 31 March 2023: Nil, 31 March 2022: 8,912.451) (Market value 31 March 2022: 578.3598/unit)	-	5,154.60
Aditya Birla Sun Life- Money Manager Fund Growth- Direct (No. of units 31 March 2023: Nil, 31 March 2022: 15,424.900) (Market value 31 March 2022: 298.9105/unit)	-	4,610.66
Aditya Birla Sun Life- Overnight Growth- Direct (No. of units 31 March 2023: 2479.057, 31 March 2022: 835.923) (Market value 31 March 2023: 1212.4461/unit, 31 March 2022: 1,149.6854/unit)	3,005.72	961.05
ICICI Mutual Fund- Floating interest fund- DP Growth (No. of units 31 March 2023: Nil, 31 March 2022: 14,164.584) (Market value 31 March 2022: 360.6605/unit)	-	5,108.61
	3,005.72	15,834.92

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7 Trade Receivables

	In Rupees	
	31 March 2023	31 March 2022
Unsecured		
- Considered good	33,775.43	33,970.08
Credit impaired		
- Considered doubtful	627.27	200.97
	34,402.70	34,171.05
Less : Impairment position on Expected Credit Loss Model	(627.27)	(200.97)
	33,775.43	33,970.08
	33,775.43	33,970.08

(Refer note 29 for information about credit risk and market risk of trade receivables)

Trade Receivables ageing schedule-

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022						
(i) Undisputed Trade receivables – considered good	33,359.44	22.84	10.22	94.68	288.25	33,775.43
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.92	19.98	15.76	146.04	444.57	627.27
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	33,360.36	42.82	25.98	240.72	732.82	34,402.70
As at March 31, 2021						
(i) Undisputed Trade receivables – considered good	32,974.24	26.18	199.39	196.39	573.88	33,970.08
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	41.33	40.70	118.94	200.97
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	32,974.24	26.18	240.72	237.10	692.82	34,171.05

8 Cash and Cash Equivalents

	In Rupees	
	31 March 2023	31 March 2022
Cash and Cash Equivalents (as per IND AS-7 - "Statement of Cash Flows")		
Cash on hand	25.09	10.51
Balances with banks;		
- in current accounts	2,678.22	1,101.11
	2,703.31	1,111.62

8A Other bank balances

Bank deposits with original maturity more than three months but less than twelve months	21,000.00	-
	21,000.00	-

9 Other current financial assets

	In Rupees	
	31 March 2023	31 March 2022
Interest receivable	272.06	-
	272.06	-

10 Other Current Assets

	In Rupees	
	31 March 2023	31 March 2022
Prepaid Expenses	20.91	26.14
Balance with sales tax authorities	-	2,121.24
Others	108.26	108.26
	129.17	2,255.63

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11 Equity Share Capital

	31 March 2023 Number of shares	31 March 2023 Rs.	31 March 2022 Number of shares	31 March 2022 Rs.
Authorised				
Equity Shares of Rs. 10/- each	1,00,000	1,000.00	1,00,000	1,000.00
	1,00,000	1,000.00	1,00,000	1,000.00
Subscribed and Fully Paid-up				
Equity Shares of Rs. 10/- each	70,000	700.00	70,000	700.00
	70,000	700.00	70,000	700.00

(a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting year:

Equity Shares:	31 March 2023 Number of shares	31 March 2023 Rs.	31 March 2022 Number of shares	31 March 2022 Rs.
At the beginning of the year	70,000	700.00	70,000	700.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	70,000	700.00	70,000	700.00

(b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) All the above, 70,000 equity shares of Rs.10/- each are held by the holding company, Advanced Enzyme Technologies Limited, and its nominees.

(d) Shareholders holding more than 5 percent of the equity shares

Name of Shareholder	Number 31 March 2023	Number 31 March 2022
Advanced Enzyme Technologies Ltd and its nominees	70,000	70,000

(e) During the year ended 31 March 2023, the amount of per share dividend recognized as distributions to equity shareholders was Rs. 160/- (31 March 2022 Rs. 160/-)

(f) **Details of Shares held by Promoters at the end of the year**

Promoter name	As at 31 March 2023 No. of Shares	As at 31 March 2023 % of total shares	As at 31 March 2022 No. of Shares	As at 31 March 2022 % of total shares	% change between 31 Mar 23 vs 31 Mar 22	As at 31 March 2021 No. of Shares	As at 31 March 2021 % of total shares	% change between 31 Mar 22 vs 31 Mar 21
1. Advanced Enzyme Technologies Limited	59,400	84.86%	59,400	84.86%	0.00%	59,400	84.86%	0.00%
2. Chandrakant L. Rathi*	-	0.00%	100	0.14%	-0.14%	100	0.14%	0.00%
3. Piyush C. Rathi*	-	0.00%	100	0.14%	-0.14%	100	0.14%	0.00%
4. Beni Prasad Rauka*	100	0.14%	100	0.14%	0.00%	100	0.14%	0.00%
5. Mukund M. Kabra*	100	0.14%	100	0.14%	0.00%	100	0.14%	0.00%
6. Mukund M. Kabra*	100	0.14%	100	0.14%	0.00%	100	0.14%	0.00%
7. Savita C. Rathi*	-	0.00%	100	0.14%	-0.14%	100	0.14%	0.00%
8. Dipak R. Roda*	10,000	14.29%	10,000	14.29%	0.00%	10,000	14.29%	0.00%
9. Ankit Rathi*	100	0.14%	-	0.00%	0.14%	-	0.00%	0.00%
10. Abhijeet Rathi*	100	0.14%	-	0.00%	0.14%	-	0.00%	0.00%
11. Sanjay Basantani*	100	0.14%	-	0.00%	0.14%	-	0.00%	0.00%
Total	70,000	100.00%	70,000	100.00%		70,000	100.00%	

* holding shares on behalf of Advanced Enzyme Technologies Limited.

12 Other Equity

	In Rupees 31 March 2023	In Rupees 31 March 2022
Surplus in the statement of profit and loss		
Balance as per last financial statement	40,793.77	33,790.54
Profit for the year	18,059.00	18,203.23
Less:- Appropriations		
Dividend	(11,200.00)	(11,200.00)
	47,652.77	40,793.77

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13 Provisions

	31 March 2023 Long-term	31 March 2023 Short-term	31 March 2022 Long-term	31 March 2022 Short-term
Provision for employee benefits (refer note 27)				
- Compensated Absences	183.54	124.80	250.80	129.66
- Gratuity	254.08	143.81	169.55	145.67
	437.61	268.61	420.36	275.33

14 Trade Payables

	In Rupees 31 March 2023	31 March 2022
Trade payables:		
Total outsatnding dues to micro and small enterprises (refer note below)	9.89	9.89
Total outstanding dues to others	949.87	-
	959.76	9.89

Note-
Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED),

	31 March 2023	31 March 2022
Principal amount remaining unpaid	9.89	9.89
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	-	-
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.	-	-

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 2023 has been made in the standalone financial statements based on information received and available with the Company.

Trade Payables ageing schedule-

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023					
i) MSME	9.89	-	-	-	9.89
ii) Others	949.87	-	-	-	949.87
iii) Disputed dues – MSME	-	-	-	-	-
iv)Disputed dues - Others	-	-	-	-	-
Total	959.76	-	-	-	959.76
As at March 31, 2022					
i) MSME	9.89	-	-	-	9.89
ii) Others	-	-	-	-	-
iii) Disputed dues – MSME	-	-	-	-	-
iv)Disputed dues - Others	-	-	-	-	-
Total	9.89	-	-	-	9.89

15 Other Financial Liabilities

	In Rupees 31 March 2023	31 March 2022
Advances and security deposits from customers	6,777.77	6,225.31
Employee benefits payable	1,298.95	1,117.11
Other payables	2,533.15	2,406.07
	10,609.87	9,748.49

16 Other Current Liabilities

	In Rupees 31 March 2023	31 March 2022
Provident fund	62.11	60.04
Other statutory dues	771.87	1,448.17
	833.98	1,508.21

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17 Revenue from contracts from customers

	In Rupees	
	31 March 2023	31 March 2022
Sale of goods: Domestic	1,34,378.67	1,18,718.50
	1,34,378.67	1,18,718.50

18 Other Income

	In Rupees	
	31 March 2023	31 March 2022
Interest Income	470.47	198.17
Profit on sale on investment	1,420.87	117.96
Gain on fair valuation of investment	-	318.81
Bad debts earlier written-off received back	19.57	-
Liabilities no longer required written back	26.29	-
Other non operating income	0.01	52.13
Reversal of provision for doubtful debts	-	201.46
	1,937.21	888.53

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19 Cost of Materials Consumed

	In Rupees	
	31 March 2023	31 March 2022
Cost of materials consumed		
Opening stock of raw material and packing material	37.61	72.15
Add: Purchases (Industrial Enzymes)	98,150.87	82,825.18
	98,188.47	82,897.33
Less: Closing stock of raw material and packing material	72.02	37.61
	98,116.45	82,859.72

20 Employee Benefits Expense

	In Rupees	
	31 March 2023	31 March 2022
Salaries, wages, bonus and allowance	9,294.97	8,774.21
Contribution to provident and other funds	392.86	378.42
Gratuity	159.90	146.21
Staff welfare expenses	2.41	123.30
	9,850.14	9,422.15

21 Finance Costs

	In Rupees	
	31 March 2023	31 March 2022
Interest on deposit from customers	364.12	293.89
Bank Charges	0.66	0.65
	364.78	294.54

22 Depreciation and Amortization Expense

	In Rupees	
	31 March 2023	31 March 2022
Depreciation on tangible assets	24.24	58.69
	24.24	58.69

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23 Other Expenses

	In Rupees	
	31 March 2023	31 March 2022
Repairs and Renewals:		
Other Assets	3.70	2.80
Insurance	44.61	36.52
Rates and Taxes	110.51	3.15
Printing and Stationery	3.43	1.25
Travelling & Conveyance	1,237.36	940.09
Commission	-	21.60
Communication Expenses	66.04	67.03
Legal & Professional Charges	1,022.90	556.68
Auditors' Remuneration:		
Statutory Audit fee	80.75	50.00
Sales Promotion and Advertisement	265.98	232.09
Freight and Forwarding (Net)	49.66	713.21
Loss on fair valuation of investment	287.94	-
Provision for doubtful debts	426.29	-
Bad Debts	-	28.91
Less: Provisions of doubtful debts written back	-	(28.91)
Bad debts (net)	-	-
Miscellaneous Expenses	43.18	68.00
	3,642.36	2,692.42

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24 Segment Reporting - Disclosures under Ind AS 108 - "Operating Segment":

i. Entity wide disclosure required by Ind AS 108 are as detailed below:

	Year ended 31 March 2023	Year ended 31 March 2022
Bio- chaemicals	1,34,378.67	1,18,718.50
Others	-	-
	1,34,378.67	1,18,718.50

25 Disaggregation of revenue

The management determines that the segment information reported under Note 25 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no seperate disclosures of disaggregated revenues are reported.

26 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 2023	31 March 2022
Profit attributable to equity holders	18,029	18,202

ii. Weighted average number of ordinary shares

	31 March 2023	31 March 2022
Issued ordinary shares at 1 April	70,000	70,000
Effect of fresh issue of shares for cash	-	-
Weighted average number of shares at 31 March for basic EPS	70,000	70,000
Weighted average number of shares at 31 March for diluted EPS	70,000	70,000

Basic and Diluted earnings per share

	31 March 2023	31 March 2022
Basic earnings per share	257.56	260.03
Diluted earnings per share	257.56	260.03

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27. Post-Employment Benefits

The Company contributes to the following post-employment plans in India.

(A) Defined Benefit Plan:

The Company provides for gratuity benefit and compensated absences, which are defined benefit plans, covering all its eligible employees. The Company 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.

This plan exposes the Company to actuarial risks such as longetivity 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:

	31 March 2023		31 March 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Defined benefit obligation	720.54	543.54	581.19	590.88
Fair value of plan assets	322.65	235.21	265.97	210.42
Net defined benefit (obligation)/assets	(397.88)	(308.34)	(315.22)	(380.46)

i) Reconciliation in present value of obligations ('PVO') – defined benefit obligation:

	Defined benefit obligation			
	31 March 2023		31 March 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Opening balance	581.19	590.88	421.57	513.52
Included in profit or loss				
Current service cost	143.30	259.32	136.35	248.72
Interest cost	39.51	39.84	27.18	32.88
	764.00	890.03	585.10	795.12
Included in OCI	(43.46)	(120.56)	(3.91)	(36.01)
Remeasurement loss (gain):				
Actuarial loss (gain) arising from:				
Demographic assumptions	-	-	-	-
Financial assumptions	(56.69)	(43.42)	(25.82)	(26.87)
Experience adjustment	13.23	(77.15)	21.91	(9.14)
	720.54	769.47	581.19	759.11
Benefits paid	-	(225.93)	-	(168.24)
Closing balance	720.54	543.54	581.19	590.88

ii) Change in fair value of plan assets

	Fair value of plan assets			
	31 March 2023		31 March 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Opening balance	265.97	210.42	207.33	173.75
Included in profit or loss				
Expected return on plan assets	22.91	17.42	17.33	14.95
	288.88	227.84	224.66	188.70
Included in OCI	(3.35)	(1.79)	(2.67)	(2.02)
Remeasurement loss (gain):				
Actuarial loss (gain) arising from:	(3.35)	(1.79)	(2.67)	(2.02)
Experience adjustment	(3.35)	(1.79)	(2.67)	(2.02)
	285.52	226.05	221.99	186.68
Other				
Contributions paid by the employer	37.13	9.16	43.98	23.74
Benefits paid	-	-	-	-
Closing balance	322.65	235.21	265.97	210.42

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iii) Expense recognised in the Statement of Profit and Loss:

	31 March 2023		31 March 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current service cost	143.30	259.32	136.35	248.72
Interest cost	16.60	22.42	9.85	17.93
Net value of remeasurements on the obligation and plan assets	-	(118.77)	-	(33.99)
Total expense recognised in the Statement of Profit and Loss	159.90	162.96	146.21	232.66

iii) Other Comprehensive Income:

	31 March 2023	31 March 2022
	Gratuity	Gratuity
Actuarial loss / (gain) from:		
-Demographic assumptions	-	-
-Financial assumptions	(56.69)	(25.82)
-Experience adjustment	13.23	21.91
Return on plan assets excluding net interest	3.35	2.67
Total amount recognised in OCI	(40.11)	(1.24)

ii. Plan assets

Plan assets comprise the following

	31 March 2023	31 March 2022
Policy of insurance	100%	100%
	100%	100%

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	31 March 2023		31 March 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Policy of insurance	100%	100%	100%	100%
Discount rate	7.50%	6.85%	7.50%	6.85%
Rate of return on plan assets	7.50%	6.55%	7.50%	6.55%
Salary Escalation	7.00%	7.00%	7.00%	7.00%
Withdrawal rates	5% at younger ages reducing to 1% at older ages		5% at younger ages reducing to 1% at older ages	
Leave availment rates	-	0.0%	-	0.0%
Retirement age	58 years		58 years	
Mortality rates	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 by the amounts shown below.

	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	6,80,583	7,63,639	5,46,718	6,18,524
Future salary growth (0.5% movement)	7,63,639	6,80,222	6,18,290	5,46,608
Withdrawal rates (10% movement)	7,20,529	7,20,519	5,79,652	5,82,736

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

The expected future cash flows in respect of gratuity as at 31 March 2023 were as follows:
The expected contributions for defined benefit plan for the next financial year will be Rs. 143,809/-

Expected future benefit payments	
31 March 2024	16,446
31 March 2023	20,964
31 March 2024	22,116
31 March 2025	23,535
31 March 2026	24,848
Therafter	5,76,859

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28 Income taxes

Tax expense
(a) Amounts recognised in profit and loss

	Year ended 31 March 2023	Year ended 31 March 2022
Current income tax	6,376.13	6,097.39
Changes in estimates related to prior period	24.45	-
	6,400.59	**6,097.39**
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(111.67)	(20.18)
Deferred tax expense	(111.67)	(20.18)
Tax expense for the year	**6,288.91**	**6,077.21**

(b) Amounts recognised in other comprehensive income

	Year ended 31 March 2023			Year ended 31 March 2022		
	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						
Changes in revaluation surplus	(40.11)	10.09	(30.01)	(1.24)	0.31	(0.92)
	(40.11)	10.09	(30.01)	(1.24)	0.31	(0.92)

(c) Reconciliation of effective tax rate

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	24,317.90	24,279.51
Tax using the Company's domestic tax rate (31 March 2023 : 25.168%, 31 March 2022 : 25.168%)	6,120.33	6,110.67
Tax effect of:		
Others	144.13	(33.46)
Tax expense as per profit or loss	**6,288.91**	**6,077.21**

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Income taxes (continued)

(d) Movement in deferred tax balances

	31 March 2023						
	Net balance 1 April 2022	Recognised in profit or loss	Recognised in OCI	Others	Net deferred tax asset/liability	Deferred tax asset	Deferred tax liability
Deferred tax asset							
Property, plant and equipment	28.04	(4.61)	-	-	23.43	23.43	-
Employee benefits	237.36	9.00	(10.09)	-	236.26	236.26	-
Trade receivables	50.58	107.29	-	-	157.87	157.87	-
Tax Assets / (Liabilities)	**315.98**	**111.67**	**(10.09)**	**-**	**417.56**	**417.56**	**-**

(e) Movement in deferred tax balances

	31 March 2022						
	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Others	Net deferred tax asset/liability	Deferred tax asset	Deferred tax liability
Deferred tax asset							
Property, plant and equipment	43.72	(15.68)	-	-	28.04	28.04	-
Employee benefits	143.83	93.84	(0.31)	-	237.36	237.36	-
Trade receivables	108.56	(58.98)	-	-	50.58	50.58	-
Tax Assets / (Liabilities)	**296.11**	**19.18**	**(0.31)**	**-**	**315.98**	**315.98**	**-**

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.

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29. Financial instruments

1. 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 2023	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 - Current	6	3,005.72	-	-	3,005.72	3,005.72	-	-	3,005.72
Trade receivables	7	-	-	33,775.43	33,775.43	-	-	-	-
Cash and cash equivalents	8	-	-	2,703.31	2,703.31	-	-	-	-
Bank balances other than (iii) above	8A	-	-	21,000.00	21,000.00	-	-	-	-
Others - Current	9	-	-	272.06	272.06	-	-	-	-
		3,005.72	-	57,750.79	60,756.52	3,005.72	-	-	3,005.72
Financial liabilities									
Trade payables	14	-	-	959.76	959.76	-	-	-	-
Other financial Liabilities	15	-	-	10,609.87	10,609.87	-	-	-	-
		-	-	11,569.62	11,569.62	-	-	-	-

Note: There have been no transfers among Level 1, Level 2 and Level 3 during the year

		Carrying amount				Fair value			
31 March 2022	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 - Current	6	15,834.92	-	-	15,834.92	15,834.92	-	-	15,834.92
Trade receivables	7	-	-	33,970.08	33,970.08	-	-	-	-
Cash and cash equivalents	8	-	-	1,111.62	1,111.62	-	-	-	-
		15,834.92	-	35,081.69	50,916.62	15,834.92	-	-	15,834.92
Financial liabilities									
Trade payables	14	-	-	9.89	9.89	-	-	-	-
Other financial Liabilities	15	-	-	9,748.49	9,748.49	-	-	-	-
		-	-	9,758.38	9,758.38	-	-	-	-

Note: There have been no transfers among Level 1, Level 2 and Level 3 during the year

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used:

Financial instruments measured at fair value

Type	Valuation technique
Non current financial assets / liabilities measured at amortised cost	Discounted cash flow technique : The valuation model considers present value of expected payments discounted using an appropriate discounting rate.

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.

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Financial instruments – Fair values and risk management

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 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. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.
At 31 March 2023, the Company's most significant customer accounted for INR 3,163.94 thousand of the trade and other receivables carrying amount (31 March 2022 : INR 2,923.15 thousand).

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

		31 March 2023	
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	22,156.84	0.00%	0.38
0-90 days	11,187.90	0.00%	0.50
90-180 days	15.62	0.26%	0.04
180-270 days	14.51	19.31%	2.80
270-360 days	28.31	60.67%	17.17
More than 360 days	999.52	60.67%	606.37
	34,402.70		627.27

		31 March 2022	
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	23,488.91	0.00%	-
0-90 days	9,156.74	0.00%	-
90-180 days	328.59	0.00%	-
180-270 days	26.18	0.00%	-
270-360 days	-	0.00%	-
More than 360 days	1,170.64	17.17%	200.97
	34,171.05		200.97

Expected credit loss assessment for customers as at 31 March 2022 and 31 March 2023.
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 2021	431.34
Impairment loss reversed	(201.46)
Amounts written off	28.91
Balance as at 31 March 2022	**200.97**
Impairment loss recognised	426.29
Amounts written off	-
Balance as at 31 March 2023	**627.27**

The impairment loss at 31 March 2022 related to several 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. 2,703.31 thousand at 31 March 2023 (31 March 2022: Rs. 1,111.62 thousand). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

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Financial instruments – Fair values and risk management
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.

Exposure to liquidity risk:

		Contractual cash flows				
31 March 2023	**Carrying amount**	**Total**	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Trade payable	959.76	959.76	959.76	-	-	-
Other financial liabilities	10,609.87	10,609.87	10,609.87	-	-	-

		Contractual cash flows				
31 March 2022	**Carrying amount**	**Total**	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Trade payable	9.89	9.89	9.89	-	-	-
Other financial liabilities	9,748.49	9,748.49	9,748.49	-	-	-

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Financial instruments – Fair values and risk management (continued)

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 and payables and long term debt. The Company is not exposed to market risk primarily related to foreign exchange rate risk.

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Financial instruments – Fair values and risk management (continued)
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

Interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The Company does not have any borrowing in financial years 2021-22 and 2022-23 accordingly there is no exposure to interest rate risk.

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30. 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 debt less cash and bank balances.

The Company does not have any borrowing in financial years 2021-22 and 2022-23. Hence, the whole equity belongs to shareholders.

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31. Note on COVID 19 impact on business of the Company

In assessing the recoverability of receivables, the Company has considered internal and external information upto the date of approval of these financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of the financial results and the Company will continue to closely monitor any material changes to future economic conditions.

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32 Ratios

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Variance	Reason (If variation is more than 25%)
Current Ratio	Total current assets	Total current liabilities	5	5	5%	
Return on Equity Ratio	Profit for the year	Average total equity	40%	48%	-16%	
Inventory turnover ratio	Revenue from operations	Average inventory	1,790	1,510	19%	
Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	4	3	18%	
Trade payables turnover ratio	Purchases	Average trade payables	202	46	341%	Refer Note 1
Net capital turnover ratio	Revenue from operations	Average working capital (i.e. total current assets less total current liabilities)	3	3	-4%	
Net profit ratio	Profit for the year	Revenue from operations	13%	15%	-12%	
Return on Capital employed	Profit before tax and finance costs	Capital employed	51%	59%	-14%	
Return on investment	Income generated from invested funds	Average investment in mutual funds	3%	1%	167%	Refer Note 2

Note 1- Trade payables turnover ratio- Increased on account of increase in cost of goods sold/ purchase coupled with decrease in average trade payables as on 31 March 2023.

Note 2- Return on investment- Increase in gain on sale of mutual funds has resulted increased return on investment.

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33 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

Related Party Disclosure:
a) Parties which significantly influence / are influenced by the company (either individually or with others) -
I Holding Company
Advanced Enzyme Technologies Limited

II Fellow Subsidiaries
Advanced Bio- Agro Tech Limited
JC Biotech Private Limited
Scitech Specialities Private Limited
Saiganesh Enzytech Solutions Private Limited (subsidiary of Advanced Enzyme Technologies Limited w.e.f. 03 January 2023)
Advanced Enzymes USA, Inc.
Advanced Enzymes Europe B.V.
Advanced Enzymes (Malaysia) Sdn. Bhd.
Cal India Food International, USA (subsidiary of Advanced Enzymes USA, Inc.)
Advanced Supplementary Technologies Corporation, USA (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)
Dynamic Enzymes Inc., USA (Wholly owned subsidiary of Advanced Enzymes USA)
Enzyme Innovation Inc., USA (Wholly owned subsidiary of Cal India Foods International)
Evoxx Technologies GMBH, Germany (Wholly owned subsidiary of Advanced Enzymes Europe B. V.)

b) Nature of transactions with Holding company: In Rupees

	Year ended 31 March 2023	Year ended 31 March 2022
Purchases of materials	98,150.87	82,825.18
Dividend paid	11,200.00	11,200.00

	Year ended 31 March 2023	Year ended 31 March 2022
Trade payable	949.87	-
Trade receivable	-	59.12

No amount has been provided as doubtful debts or advances / written off or written back in the year in respect of debts due from / to above related party.

34 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

In terms of our report attached

For Desai Associates
Chartered Accountants
Firm Registration No. 102286W

Desai Associates Mumbai Chartered Accountants

Shree Gopal Didwaniya
Partner
M. No.: 139202
Place : Mumbai
Date : 06.05.2023

For and on behalf of Board of Directors of Advanced Enzytech Solutions Limited
CIN No: U24200MH2008PLC186383

M. M. Kabra

Mukund M. Kabra
Director
DIN: 00148294
Place : Thane
Date : 06.05.2023

Dipak R. Roda
Director
DIN: 02256737
Place : Thane
Date : 06.05.2023

Advanced Enzytech Solutions Limited Thane