

May 15, 2026

To

BSE Limited
Department of Corporate Affairs
P. J. Towers, Dalal Street,
Mumbai- 400 001
Scrip ID-540025

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

Dear Sir/Madam,

Sub: Transcript of Conference call held on May 12, 2026 for the Audited Financial Results for the quarter and year ended March 31, 2026.

In furtherance to our intimation letter dated May 05, 2026, please find enclosed the Transcript of the Conference call held on Tuesday, May 12, 2026 with Analysts and Investors for the Audited Financial Results of the Company for the quarter and year ended March 31, 2026.

The aforesaid information is also being uploaded on the website of the Company.

Kindly take same on your records.

Thanking you,
Yours Faithfully,

For Advanced Enzyme Technologies Limited

Sanjay Basantani
Company Secretary and Head - Legal

Encl.: As above



“Advanced Enzyme Technologies Limited
Q4 & FY '26 Earnings Conference Call”
May 12, 2026

Management:

Mr. Vasant Rathi - Chairperson

Mr. Mukund Kabra – Whole Time Director

Mr. Beni Rauka – Group Chief Financial Officer

Mr. Ronak Saraf – Investor Relations Manager

Disclaimer:

This is a transcription and may contain transcription errors. The transcript has been edited for clarity, readability, etc. The Company takes no responsibility of such errors, although an effort has been made to ensure high level of accuracy.

Kindly Note, there could be unpublished price sensitive information that would have been shared /discussed during the call. Complying with the SEBI regulations, we have shared Audio Transcript to the Stock Exchanges and the Company website on May 12, 2026 for information of public at large.

Moderator

Good morning, ladies and gentlemen. I am Akash, moderator for the conference call. Welcome to Advanced Enzyme Technologies Limited Q4 and FY26 Earnings Conference Call. As a reminder, all participants will be in listen-only mode, and there'll be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing, * and then 0, on your touch-tone phone. Please note, this conference is being recorded.

I would now like to hand over the floor to Mr. Ronak Saraf. Thank you, and over to you, sir.

Ronak Saraf

Good morning, everyone. Welcome to Advanced Enzyme Technologies Q4 and FY26 Earnings Conference Call. We hope you all have gone through our financials, press release, and presentation, which has been posted in the Investor Relations section of our website. We have with us Mr. Vasant Rathi, Chairperson; Mr. Mukund Kabra, Whole-time Director; and Mr. Beni Prasad Rauka, Group CFO. Today, the management will discuss the performance and business highlights, updates on strategies, and respond to any questions that you may have. As usual, for ease of discussion, we will look at the consolidated financials.

Now, I would like to draw your attention to the fact that some of the information shared during this call, particularly regarding our plans, strategies, and future outlook, may contain forward-looking statements. These statements involve inherent risks and uncertainties and are based on current expectations, forecasts, and assumptions. Actual results may differ materially from those expressed or implied in these statements, influenced by a range of factors, including but not limited to economic conditions, changes in government policies, regulatory developments and other unforeseen circumstances.

Recipients are cautioned not to place undue reliance on these forward-looking statements, as they are not guarantees of future performance and should not be viewed as substitute for independent judgment. The company undertakes no obligation to update or revise any such statements, whether as a result of new information, future events, or otherwise. Now, without any further ado, we shall commence this call. Over to you, Vasant sir.

Vasant Rathi

Thank you, Ronak. Good morning, everyone. I know this is the first time we are changing the call time from 4PM to 9AM. So, thank you for taking your time early in the morning during the working day. I sincerely appreciate you all taking your valuable time. I extend my heartiest welcome to everyone joining us today on the conference call to discuss the financial results for the quarter and fiscal year ended 31st March 2026.

The global economy has faced severe disruption, as you all know, in recent years due to a compounding mix of conflicts, geopolitical tensions, and inherently fragile supply chain. Conflicts between nations have interrupted the steady flow of energy, food, and crucial raw materials, thereby injecting substantial uncertainty across international market. Concurrently, supply chain disruption worsened the transportation bottleneck, and stringent trade restrictions have slowed down production cycles and delayed the delivery of essential goods worldwide. These cascading challenges have significantly contributed to rising inflation, as businesses face higher manufacturing and shipping costs that are ultimately passed on to the consumers. Consequently, the prices of everything necessities are soared globally, placing heavy financial pressure on households and weakening purchase power in this uncertain global environment.

Despite these daunting global supply chain challenges, we have maintained a highly consistent supply track record. However, we remain vigilant, as increasing geopolitical disruption will escalate the prices of input essentials such as fuel, salt, solvent, packaging, vis-à-vis also logistics, potentially creating near-term margin pressures across the industry.

Turning in our financial performance, I'm delighted to announce that Advanced Enzyme has reported its highest-ever quarterly and annual revenue for the fiscal year ended March 2026. For the fourth quarter, we reported revenue from operation at INR 2,034 million, reflecting the robust YoY growth of 22% and sequential growth of 18%. For the full year, our annual revenues stood at INR 7,458 million, representing a solid growth of 17%.

Our operating profitability also demonstrated excellent momentum. EBITDA for the quarter stood at INR 632 million, registering a 39% YoY growth and 28% sequential growth on a full-year basis. EBITDA grew by 18%. EBITDA margin for both the quarter and the year remains strong at 31%. Profit after tax stood at INR 453 million for the quarter, showcasing a staggering growth of 69% on a YoY basis and 5% sequentially. On an annual basis, PAT grew by 30%. Consequently, our PAT margin stood at 22% for the quarter and 23% for the full fiscal year, as compared to 21% in FY25. Our overall financial performance is firmly in line

with the earlier guidance. All of our business divisions delivered healthy growth, and we are confident that this steady momentum will continue into the coming year.

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

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

On the regulatory and compliance front, during this year, we filed two food enzyme dossiers with the European Food Safety Authority, EFSA, and three dossiers with the US FDA. As mentioned in our previous interaction, our new R&D center in Nashik is expected to become fully operational in the latter half of this fiscal year, significantly boosting our product development bandwidth. Additionally, we are anticipating approval of our anti-inflammatory products, that we filed two years back in European region, during this year.

Now, I will take you through our segment-wise revenue performance for the fourth quarter of FY26, as well as full fiscal year 2026. Let's begin with the Human Healthcare. Our largest and most critical segment revenue for Q4 FY26 stood at INR 1,281 million, marking a 24% YoY growth and 33% sequential increase. For the full year, year-to-date basis, we observed a solid growth of 15%. This growth was primarily driven by higher sales volumes in pharma API, biocatalysis, and nutritional business. Human Healthcare continues to be our flagship division, contributing 63% of our total revenue.

Animal Healthcare revenue in this segment rose to INR 250 million, delivering a 19% increase YoY, 2% sequential, and 25% on year-to-date basis. Animal Healthcare account for 13% of our total revenue. The growth is mainly driven by increased sales in Asia.

Turning to bioprocessing, this segment recorded 17% YoY growth during the quarter despite a 10% sequential contraction, finishing the year with 16% year-to-date growth. The annual growth was predominantly fueled by healthy performance of our food business, which grew by 20% YoY and 19% on the year-to-date basis. Conversely, the non-food business contracted by 1% YoY and 7% sequentially, remaining flat on the year-to-date basis.

Lastly, the specialized manufacturing segment registered a 17% growth YoY and a 16% sequential growth. On a year-to-date basis, it grew by an impressive 23%. This segment currently represents 9% of our overall revenue.

Our strategic product mix within each business division and operating leverage has continued to perform exceedingly well, supporting our healthy overall margins. We anticipate that our entire portfolio spanning human nutrition, animal nutrition, and bioprocessing will perform even better and grow stronger as we move right into the new fiscal year.

That said, our business outlook remains extremely steady. We'll continue to focus on optimize capacity allocation, improving supply chain efficiencies, ramping up new product launches and expanding our operational footprints across both developed and emerging market. With this, I will now hand over this call to Rauka ji. He will walk you through the financials and key subsidiary numbers. Beni?

Beni Prasad Rauka

Thank you very much, sir. Good morning, everyone. I hope you all are in good health and doing well.

On the company's consolidated financials for the fourth quarter and year-end of fiscal year 2026, YoY basis, our revenue is increased by INR 362 million, 22% from INR 1,672 million to INR 2,034 million.

Our EBITDA increased by INR 176 million, a 39% of increase from INR 456 million to INR 632 million, and it stood at 31%.

Profit before tax after exceptional item increased by INR 163 million, a 38% increase from INR 430 million to INR 598 million. PAT increased by INR 186 million from INR 260 million to INR 453 million. So PAT is 22% of our revenue in this particular

quarter. QoQ basis, this is sequential, revenue increased by INR 315 million, 18% increase from INR 1,719 million to INR 2,034 million. EBITDA increased by INR 138 million, 28% increase from INR 494 million to INR 632 million.

Profit before tax after exceptional item increased by INR 15 million from INR 583 million to INR 598 million. Profit after tax increased by INR 21 million from INR 432 million to INR 532 million. Financial year performance, YTD FY26 versus FY25 annual basis, our revenue increased by INR 1,089 million, 17% increase from INR 6,369 million to INR 7,458 million. Our EBITDA increased by INR 347 million, which is 18% increase from INR 1,944 million to INR 2,291 million, and it is 31% of our revenue. Even FY25, it was 31%.

Profit before tax increased by INR 451 million, a 24% of increase from INR 1,874 million to INR 2,325 million. So, this is 31% as compared to 29%. Profit after tax increased by INR 396 million, a 30% increase from INR 1,340 million to INR 1,736 million. Our PAT stood at 23% of our revenue as compared to 21% in FY25.

JC Biotech revenue for last quarter Q4 was INR 172 million, EBITDA INR 15 million, PAT of INR 3 million as compared to INR 112 million of revenue, INR 4 million of EBITDA, and PAT was negative in that particular quarter, INR 7 million. So, the JCB on annual basis, sale is increased from INR 600 million to INR 728 million. EBITDA increased from INR 70 million to INR 92 million, and PBT increased from INR 12 million to INR 29 million.

Evoxx for the quarter revenue stood at INR 88 million, EBITDA of INR 19 million and PAT of INR 14 million as compared to revenue of INR 43 million and the negative EBITDA of INR 4 million and negative PAT of INR 9 million in the Q4 of FY25. On annual basis, revenue of Evoxx stood at INR 319 million as compared to INR 213 million, a 50% increase. And EBITDA has increased negative INR 12 million to INR 72 million. PAT is increased to INR 50 million as compared to INR 39 million negative in FY25.

Scitech has performed excellent, and Q4 numbers stood at revenue INR 179 million, EBITDA of INR 38 million, and PAT of INR 29 million as compared to revenue of INR 156 million and EBITDA of INR 10 million and PAT of INR 5 million, respectively. Annual basis, Scitech top line stood at INR 668 million as compared to INR 542 million, a 23% increase. And EBITDA stood at INR 104 million as compared to INR 76 million, a 37% increase. And PAT is INR 45 million as compared to INR 37 million, so 22% of increase.

On an annual basis, our top product, which is anti-inflammatory enzyme sales, stood at 23%, and top 10 customers contributed 23% as compared to 22% in FY25. B2C segment is about INR 0.9 million as compared to INR 1.19 million in FY20, and the complete total number is INR 4.37 million for FY26 as compared to INR 4.46 million in FY25.

Our R&D expenditure total on standalone basis is INR 356 million in FY26 as compared to INR 328 million in FY25. On consolidated basis, our R&D spend is about 5.6% during Q4 and 5.3% in the corresponding quarter of FY25. So, this is all from my side. We shall open the floor for question answer.

Moderator

Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press * and 1 on your telephone keypad and wait for your turn to ask question. If you would like to withdraw your request, you may do so by pressing * and 1 again. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad.

The first question comes from the line of Mr. Abhishek Navalgund. Please go ahead, sir.

Abhishek Navalgund

Yeah. Hi, sir. Good morning, and congratulations on a good set of numbers. My first question is on, I mean, you just explained the segment-wise details also. So, this clearly reflects that the quarter is all about growth that we have witnessed in Serratiopeptidase, the anti-inflammatory enzyme.

But I'm just curious that while our sequential margin is also kind of in stock, it is mainly because of the operating leverage maybe, but why the gross margin has kind of moderated on a sequential basis, especially when we see the U.S. share is also more or less similar? And our Human Nutrition, which is like the highest-margin segment, has also maintained or rather gained some share in terms of revenue. So this first question on the gross margin.

Mukund Kabra

Can you repeat, Abhishek? What is exactly what you want to know about the gross margin, Abhishek?

Abhishek Navalgund

I just wanted to know the movement that we have seen on sequential basis, the gross margin. While our Human Nutrition portfolio has done well, we have not lost share in terms of our U.S. exposure also. So, what could be the reason why our gross margin has moderated on QoQ basis this quarter?

Beni Prasad Rauka

So, this is mainly what happens is because of the variable cost and fixed cost issue, right? If you have incremental sale, then definitely your gross margins are going to go up because your fixed expenses remains fixed, and you have that operating leverage.

Mukund Kabra

At the same time, we tried to improve the productivity, and there are certain products which we could increase the productivity as well in this quarter. And that's a continuous process with the R&D which comes up. So, it's a combination of both which helps us, even though the costs are written on the higher side because of all of this. Inflation and other thing which is happening with the war, still we could do it because of all the other factors, because there is a constant improvement on the output side as well.

Abhishek Navalgund

Sorry, sir. Actually, what I was trying to ask you is while our EBITDA margin has increased, I think if you see our gross margin number, it has kind of dropped as compared to Q3.

Beni Prasad Rauka

So, you are talking about our gross contribution, right?

Mukund Kabra

Probably you can take last quarter, we had some extraordinary items on the front.

Beni Prasad Rauka

No. I think, Abhishek, can you again come back with your question, please? You are talking about gross margin.

Abhishek Navalgund

No, we can take this offline. That's fine. My question was on gross margin. I'll connect with you later on this.

Beni Prasad Rauka

Yes. That's fine.

Abhishek Navalgund

Yeah. So, I'm saying, on the Serratiopeptidase side, the increase that we have seen, this could be a function of some market share gain in the domestic market. So, is it fair to assume that this quarterly run rate will continue going ahead?

Beni Prasad Rauka

I think, Mukund will give you the answer.

Mukund Kabra

I won't comment on that, Abhishek. There are always quarter and quarter variability, particularly, but I would say that we'll retain most of it. And it's not only inflammatory products, which we are working on, many other products as well, and those are also contributing.

Abhishek Navalgund

Sure. And you mentioned about the EU approval for the same product. So possible to share, I mean, how big would be the EU market for this product?

Mukund Kabra

It's a novel food which we submitted two years back, and we expect this year it should be approved. If it gets approved, then we will be the only person who can supply that product for next five years or ten years. I need to see exactly what is the time frame which we get, and that should be really interesting for us. I won't be able to give you the numbers, but the interest can be very big.

Abhishek Navalgund

Sure. I'm not asking for any specific guidance, but any aspiration number that you can talk about, let's say, five-year down the line, how do you see this product growing? Whenever we'll get the approval, I mean, post that.

Vasant Rathi

We cannot.

Mukund Kabra

I can't comment on the particular product, but overall, what we expect to grow is in the double-digit and maybe double-digit, and that's, like, what we are aiming for, and that is where all the efforts are there. We won't be able to say about the single product or two products. There are multiple things which we want.

Abhishek Navalgund

Absolutely. My next question is on the current environment, wherein we are seeing inflation and everything. So, I think you talked about fuel, salt, solvents, packaging and logistics. So just would like to know in terms of raw material increase, I guess we are relatively sorted because we procure largely from India. But when it comes to these items like fuel, salt, solvents, packaging, logistics, so how is the pass-through structure like in this quarter? And do you expect some margin pressure because of the full effect getting flowed through in Q1?

Mukund Kabra

There is always going pressure because if you're really looking to the -- you want to take, Vasant Sir? Go ahead. Hello? Vasant, sir, you want to take it?

Vasant Rathi

Yeah. No. Abhishek, there's always going to be margin pressure. These are all uncertain times with what is going to happen tomorrow with your energy. The industry is very much based upon a lot of energy and other costs, so.

Abhishek Navalgund

Sure. My only point was, basically, is there will be a one quarter, two quarter lag? Is it possible to comment on that, whether we are passing it on or partly passing it on to the customers?

Vasant Rathi

No. Abhishek, it is difficult to pass on very competitive world, global climate. But you try to increase the productivity, increase the efficiencies and try to reduce the cost. There are a lot of mitigating -- a lot of things which we had to work in. Management is very aware of it, trying to compete in the global marketplace. We had to be very efficient.

Abhishek Navalgund

Right. My last question, sir, in terms of guidance, what do you expect in revenue and margins in FY27 and a specific color on U.S. business in particular?

Vasant Rathi

Well, margin and things, as I mentioned before, it's going to be steady, same idea what we are talking about. We wanted to keep this momentum and hopefully build upon it, okay. As far as the U.S. market is concerned, your second part of the question, there is enormous pressure of the inflationary pressures here in the U.S. economy due to energy. Nobody knows what's going to happen in 15 days from now or two months from now. But, overall, cost is dramatically increasing. And, as I mentioned in my comments before, the spending or what you call it, people's discretionary expenses is going to be a lot of pressure on that. So, we'll see how that plays out, okay. This is going to be a very challenging year no matter what, okay.

Abhishek Navalgund

Awesome. This is very helpful. Thank you, and all the best.

Vasant Rathi

You're welcome. Thank you.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Kunal Thanvi from Banyan Tree Advisors. Please go ahead, sir.

Kunal Thanvi

Hi. Thanks for the opportunity. I had two questions. One was if you can throw some light on, you know, India business growth in terms of pricing and volume. Like, was there an element of price increases because, like, three, four quarters, like, we saw significant price erosion in our largest product?

Second question was to Mr. Rathi about your thoughts on buyback of shares. We've seen you know, been buying from open market, and there's a change in the taxation law in India, post which buyback becomes good for the retail investors. Any thoughts if you can share about capital allocation? Because, like, you've also not announced interim dividend this time around. I was curious to know how we are thinking about the cash that we have on the balance sheet?

Vasant Rathi

Well, I will try to answer your second question first. You guys are more professionals knowing about the market and prices, but we will be looking at all the necessary options of what is in the best interest of our shareholders and how we increase the value of our shareholders, okay. Regarding the pressure on the --

Kunal Thanvi

So sir, is it fair to assume that buyback is also something that you, is like the board is considering?

Vasant Rathi

Yeah. It's a board's priority to look into various different areas, and I'm sure that on the right time board will take a decision, okay. To see whatever, they feel is best interest of the company shareholders. And regarding your first part, Mukund can probably answer this.

Mukund Kabra

Kunal, do you want to know if there is a margin pressure or what?

Kunal Thanvi

No. My question, Serratiopeptidase, like, is the growth that we have seen in the Indian business side, is it entirely volume-driven, or there was some price increase that also we saw during the quarter? Because, like, four quarters back or three quarters back, when there was competition in this segment, we had talked about pricing pressure. Is this a reversal of that pricing pressure now coming through, leading to this kind of growth, or it was purely a volume growth that we have seen?

Mukund Kabra

So, let's not look into the quarter-and-quarter basis. I would say some quarters, you will have a higher growth on the particular products, some quarters some other products will have it. In terms of pricing, the pricing is more or less constant. It's more driven by the volume, but at the same time, going forward, we are looking how do we increase the cost and pass on some of the cost, and which we are trying to do from the New Year.

Kunal Thanvi

Sure, fair. Got it. And last question was, we talked about the U.S. market, is that possible slowdown will continue for FY2010, given the geopolitical situation. And then, like at the other end, you've spoken about our aspiration to do a double-digit growth in FY27. Like if you can break down these counters into what are the markets that you believe will kind of support the growth, or to make sure that a flat or a negative U.S. market for FY27 and still we kind of do a double-digit growth. And like, if that happens, what is the second order impact on the margins? Because U.S., I would assume, is a higher-margin business, right? So, if you can talk about these two aspects it will be really helpful

Mukund Kabra

So going forward, the next year, we expect little growth coming from the U.S., and not like the negative growth. We are working on many different fronts. At the same time, when we go into the Indian areas, we are working on, different avenues, different markets we are opening. The last year, we work on many different areas, and probably all the growth will come from all the three segments, including, like, human nutraceutical, food, and like animal feed. So we expect a healthy growth this year from Indian space as well.

Kunal Thanvi

Sure, and is it fair to assume that you would be able to hold on to the margins or, you know, as we've seen in FY26, or because of some pressures and -- the cost pressures in the U.S., there could be an impact on margins?

Mukund Kabra

I wouldn't say that too much of impact. 1% or 2% is always possible, and that's a variability what we have. And I wouldn't like to get into the nitty-gritty of it, maybe, like a Rauka, you can explain. But if you ask me more or less, we will go with the same margins, and that's what our assumption is. But Rauka, you can put give more focus on the margins exactly, what are the numbers saying.

Kunal Thanvi

Okay, perfect. Thank you so much.

Mukund Kabra

Thank you. You're welcome.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Rajas Joshi from Chrys Capital. Please go ahead, sir.

Rajas Joshi

Yeah. Thank you for your opportunity. So, my first question is on the U.S. business. So, if I look at the revenue for this quarter, it is down some 11% in INR terms. Now, given the precision of the INR, in dollar terms, the decline must have been a lot more sharper, so to speak. So just wanted to get a sense on what exactly is happening there. Because I think now, with the tariffs behind as well, we were expecting a recovery in this business. And that is somehow not shown up in the numbers. So, just wanted to get a sense of what exactly is going on, and is it time for us to rethink our strategy in U.S. and probably change the way we are working there?

Vasant Rathi

Rajas, the market is changing in U.S. quite a bit. There is more concentration on the deliverable registration, the studies, etc. And U.S. strategy, changing accordingly. So, market is, as we said before, also very challenging, but we are making very good inroads with the registration in the regulatory areas, as well as in the market segments, okay. So, it is going to be, as I said before, very challenging year, but we are expecting to grow in U.S. market also.

Rajas Joshi

Thank you for the answer, sir. My second question would be on our India business. This quarter has seen a significant increase in sales of about 50%, and they are also been good for us in India. So Sera, obviously, I think there was an earlier mention of Sera volume going up. But outside of Sera, any other products that you would like to call out or any other segment that you would like to possibly call out that is done well for us in India, both in this quarter and for the year as well? Even and then, if you could please also call out your biocatalysis revenue for Q4 and for the full year as well, please.

Mukund Kabra

The revenue, Raukaji, can tell you what exactly the revenue is. But going forward, we do expect, like, a good growth to come from the biocatalysis as well in Indian market. I would like to mention that, not only, the pharma, but this year we grew very well in the food area, as well as in the animal feed area. And even our specialty business grew very well, and we expect that this momentum to continue going forward as well. But if you want a specific biocatalyst number, probably, Raukaji can give you. Yeah, but going forward, we do expect a good growth coming from those areas as well.

Rajas Joshi

Understood, sir. And Sir, I --

Beni Prasad Rauka

Biocatalysis, I think you wanted the numbers, right?

Rajas Joshi

Yes, please.

Beni Prasad Rauka

INR 247 million for the FY26. And last year, it was INR 174 million.

Rajas Joshi

Understood, sir. Thanks a lot. My next question will be on our R&D pipeline. So outside of Sema, which – sorry, Sera which you've already spoken about, the European filing, any other products that are there in pipeline for us, which is still gaining more traction or we are expected to launch soon in this year and then year after that, which you would like to highlight?

Mukund Kabra

This is a continuous process. We are working on many projects as we were talking. Coming this year, probably, in the second half, our R&D new facility should be operational. And after that, we should be able to work on more different products. And because of the competition of the nature, I don't want to now going forward, specify the individual products because that just creates the pressure of the products. So going forward, I will not be like to mention the exact product, but we are working on many different products. That's what I would like to say.

Rajas Joshi

Understood, sir. And, I mean, it seems like the company has turned around in FY26 after a difficult FY25. So, I mean, apart from the revenue outlook which you shared, as the nature of our revenue in some sense also, you know, kind of become more long-term or recurring than it was earlier, is the quality of revenue increased, so to speak?

Vasant Rathi

Quality of revenue is extremely well and very stable.

Rajas Joshi

Understood. Got it. And last question on capital allocation. I think one of the earlier participants also had a question on this. So, I mean, looking at our balance sheet, they were around INR 700 crores of cash. And despite that, we have canceled the interim dividend. So just wanted to get some thoughts on your thought process regarding that.

Vasant Rathi

That's again, I will say that is the board decisions, which board always evaluate from time to time on how to enhance our shareholder's value by different modes and methods, as you guys know very well. So we are always, as a company board member, are always looking to see how and where we can do, how we can benefit from this to our shareholders.

Rajas Joshi

Understood, sir. And so, when I brought a question on the fermentation space, so to speak, this would be my last question. You know, there are couple of peers, who actually have now entered, let's say, emerging areas like animal – nope, sorry, non-meat-based proteins, which are also manufactured in the fermentation itself. And those segments also have good growth potential and healthy margin profile as well. So we just want to get a sense on how we are looking at some of these adjacent areas, and are we considering these areas for future expansion as well?

Vasant Rathi

So, I just it is a protein overall category is a growth category, as you all know very well, okay. Non-meat protein is taking some traction as we understand it, and we are continuously working on various different areas to see how we can take the advantage of

it, you know, in the whole segment, not only non-meat protein area, but all the entire protein area, so to speak. But, yes, it is a very interesting area, and, obviously, we are always looking into all these growth areas.

Rajas Joshi

All right. Thanks a lot, sir, and wishing you all the very best.

Vasant Rathi

Thank you so much, Rajas.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Nikhil Upadhyay from Securities Investments Management. Please go ahead, sir.

Nikhil Upadhyay

Hello. Good morning. Am I audible?

Vasant Rathi

Yeah. Thank you. Good morning.

Nikhil Upadhyay

Congrats on a good set of numbers for the quarter and the year as a whole. Now, my broader question is, sir, if we look at our growth trajectory in the past since listing, there have been periods when we had very strong growth, then there was a period when the growth would come down to single digit. This time, it seems you are more confident on the sustain.

And so what are the factors or what we have done differently from the past which gives you confidence that this growth momentum can sustain? And in a similar spirit, if we look at it in, this time the growth, even for the year, has been more broad-based, like, human nutrition has grown. Animal nutrition has grown. So if you can just talk about what at a company level we have done differently or what changes we have done over the last two years where we are seeing this broader growth versus segmental growth, which used to happen earlier?

Vasant Rathi

Sure, Nikhil. It's a very good question, and thank you for asking that. As you can see, the growth is broader. And what it was is we have to focus on the areas which we want to grow. And initially, also from the beginning, we are telling that we have changed the focus on not running after every single thing, but focused on the areas which we are very good at, and we wanted to grow.

And it has to become supplemented with lot of research and not necessarily just a commodity product or need to products. So we made a lot of changes in that particular segment. Our outlook is more broad-based and long-term rather than the short-term margins. And what you see is that reserves cumulative efforts for some years now that it is paying off this year, in spite of lot of challenges in the global marketplace, okay. And our outlook is a global now. It is not a segmented outlook only. We look at the entire region. World is very fast. It's now coming to the AI world very shortly.

And as you can see, we need to be very rapid and very broad-based and deeper rather than a commodity. So those are the kind of changes we are making -- we made actually, and continue to make. As I mentioned that also in my opening remarks, that within next six months, this fiscal year, will be operational into our R&D center, which is one of the largest research-based center in our area so far that I know of.

So we are going for innovations, as our PM says, you know, rather than just service industry. And that is what you can see, a lot of registration, a lot of papers, a lot of research, and we are spending substantial -- and we are committed to spend substantial amount of our earnings into the R&D sector. Does that give you answers to your question?

Nikhil Upadhyay

Yes, sir. It gives a comprehensive view. I would just want to understand one more point because when we go for a more comprehensive, and in-depth entrance with the customer or entrenchment and more innovation, but there are two aspects which probably can throw light. One is with our existing customers, say, which were present three years back, today, what quantum of business we would have increased with them? And secondly, if we look at the growth beyond our top 10 customers, how would that be?

Vasant Rathi

Well, you will find that our top 10 customers will be very much evolving and expanding, okay. And that is because of what we have, what I said before. And we are very keen on increasing our share of revenues from the existing customers also, which they have already established for so many years. So, there is a lot of changes globally happening right now as you are very well aware, Nikhil. And, obviously, a lot of companies are looking at us also into the different angle, different perspective. So it is an exciting, even though challenging time. And we feel very confident that this really, with a lot of work which we have done in last several years is taking a deep root into it.

Nikhil Upadhyay

Sure, sir. Thanks. Just two questions. One is, sir, see, today, we are almost INR 750, 800 crore kind of a top line company. When we today go to a new customer, the kind of discussion which they are having with us versus when we were a smaller company, say, five or seven years back, today, the kind of projects which we are getting, are they more innovation-driven, or is it more of a, like, second supplier source kind of a replacement which we are doing? So how would you define the kind of work on the R&D we are doing? Is it more newer product and the even the companies are open to give them to us, or is there still some skepticism?

Vasant Rathi

Okay. That's again you're asking very good questions. Well, both. Again, I guess, I will answer you both because new companies, quite a few new companies are approaching us. Old companies are all those companies which are established are checking us out, kind of thing, you know. So, yes, we are working on both. One is we need to continue on getting the revenues from the existing or these new sources, which are just costly one. At the same time, we have to establish the new markets, which without innovations, which is a little deep rooted. So the strategies are combination of both.

Nikhil Upadhyay

Okay. And last question. See, two or three years back, if we go back to our call, one of the idea which we had was that this is a business which is driven by volumes, and volumes will provide us operating leverage. Now even from -- and I'm taking a base post-COVID when we were at INR 530 crores, today, we are at INR 750 crores.

It seems we have, like, sacrificed some weight on the gross margin because gross margins have come down from 75%. It may not be a sacrifice. But the operating leverage has not played out the way we had thought or we had investors had thought that then volumes will come, operating leverage will play out. So is there something wrong with the understanding of the business, or is it just sacrifice this year and then we are okay doing business at 30% margins, but let's focus on getting more customer traction. So what have we chosen between the two?

Vasant Rathi

More customer tractions.

Nikhil Upadhyay

Sure. So this means that margins should remain in this level, and operating leverage would probably provide it for more volume growth, we will look at.

Vasant Rathi

Yeah, yes.

Nikhil Upadhyay

Okay. Thanks a lot, sir. I'll come back.

Vasant Rathi

Thank you.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Lakshmi Narayanan from Tunga Investments. Please go ahead, sir.

Lakshmi Narayanan

Yeah. Thank you. Hope I'm audible, sir.

Moderator

Yes, sir.

Vasant Rathi

Yes. You are, Lakshmi Narayanan.

Lakshmi Narayanan

Sir, two questions. Sir, I noticed that Mr. Roda is moving on, and he has been a big part of our management. I just want to understand, how the organization is maintaining stability and how the organization is actually moving forward, and whether any next person has actually taken a lead in that area.

Vasant Rathi

Mukund, I cannot hear for your questions properly. Maybe you're a little too low sound.

Lakshmi Narayanan

Sir, I understand that Mr. Deepak Roda, who has been part of our team for a long time, had decided to move on. And I just wanted to just understand how that role has been mostly transitioned and if any other person has been replaced, how he has been replaced also?

Vasant Rathi

Well, in an organization, of course, when somebody leaves, such as Mr. Roda, who works for a long time with the company as a part and becomes a part of the company, that hurt overall. But, there is always a management, second-level management, and third-level management, which take care of it.

Lakshmi Narayanan

Okay. Has anyone been appointed, and is the same capacity of having a key role he was in?

Mukund Kabra

So, Lakshmi Narayanan ji, what we did is, like, Mr. Roda was handling some part of Indian business and some part of U.S. business. So, we manage with two different heads at this point of time who are, equally capable and the second line-up, and that's how we are going right now. And I guess, we should be able to do good. We will not be having too much of difficulty going forward as well.

Lakshmi Narayanan

And Mr. Rathi, you are always urged us to think the company on a longer term, not look at quarter, not look at year. But if I just look at our U.S. business from March 22 end to March 26 end, I see that there is a significant divergence from the performance, which is down around 6% on Indian rupee terms, while the currency has actually also depreciated by 22%. So how does the management view this? Is it something which you anticipated or you're happy about? How do you like to measure the -- or how do you like us to look at your U. S. business over a longer period, not necessarily a year or two, but slightly longer?

Vasant Rathi

Overall, we always told you that it is a balanced business, a global business. It is export-driven business as well as local business. So, look, you have to keep and look at it in the same way. Nothing had changed. One year, as I said, various things takes little time to deep root, and that is what we are doing right now, you know, globally, not only in the U.S. market, but global markets all over. So, it is just like somebody said, when one door closes, second, some other door opens.

Lakshmi Narayanan

If I just engage on that further, sir, how do you like us to look at the U.S. business process? Because that's a business where it's really dear to you, and you are putting all your efforts to expand that business. And how do you think you look at it, I mean, how do you think we should look at it, how you are looking at it over a longer period? I'm not looking at a year, but slightly longer.

Vasant Rathi

Yes. It's going to be a growth business as usual. Our business is a growth business. And U.S. business, you should be looking at long-term steady growth business, okay.

Lakshmi Narayanan

Got it. And the third question is that, from the Serratio business, right, I mean, how much that did contribute for the full year, and what has been the YoY growth? And as a follow-up on that business, I see that the competition is little muted, if I can understand. So can you just tell me how are you thinking about competitive intensity in the Serratio business? So I think two parts of the question. One is what has been the contribution of Serratio for the full year and especially the last year? And how is the competitive intensity? Because I understand that one of the competitors is not selling the product.

Vasant Rathi

Beni, you want to answer on that one and Mukund?

Beni Prasad Rauka

Yeah. So as Mukund was mentioning, I think this is the last time we will be sharing this number. This is Serratio, I think we have on YTD growth about 45%, and QoQ is about 54% growth. So I think you will all appreciate this information is always being asked and creates of a lot of pressure on the product by the competitors. So maybe we will restrict and have a limitation of sharing of this.

Lakshmi Narayanan

Okay. Thank you so much.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Shreyans Gathani from SG Securities. Please go ahead, sir.

Shreyans Gathani

Hi, good morning, sir. I had a couple of questions. The first one is on the biocatalysis. You know, a few calls ago, you had mentioned that there are some trials going on. So just wanted to get a sense of the overall business and any updates on that.

Vasant Rathi

Mukund?

Mukund Kabra

At this point of time, I would like to say that we are working on few of the products. Trial are going well, but won't be able to comment on the exact number right now. And next year, what we are looking at it is some moderate growth coming from this area.

Shreyans Gathani

Got it. So any estimate on when these would complete? Because they've been going on, like, as far as I know, like, six to nine months already.

Mukund Kabra

There are not one or two products. We are working on many different products. In some of the products, you get some challenges. But I would still say that this year, we expect some growth coming from this area. Whenever that will happen, that will be the quarter. We are going to put it up as a different category, and we would like to comment on that. As of now, I would say that this year, we expect some growth coming from this area.

Shreyans Gathani

Got it. That's it.

Vasant Rathi

Keep in mind that this is very, again, challenging area, I would say, because it also depends a lot on the government body's regulations and global competition, you know, so changes of processes. There are a lot of things, lot of factors into this. But we still, irrespective, because of the several different product lines and trials going on, we expect, as Mukund says, moderate growth in this continuous growth on this market.

Shreyans Gathani

Got it. That's helpful. The second question was on the gross margin. I think you alluded there's some extraordinary item this quarter. If you could just expand on that, just trying to understand a little more.

Mukund Kabra

Rauka ji?

Beni Prasad Rauka

So the gross margin is particularly driven by product mix which the company has and the group has, so if you see the domestic sales is kind of higher as compared to total consolidated sales, which in turn sometimes gives us lesser margin. But on an overall basis, if you see on a full year basis, the gross margin is kind of one percentage down because of product mix only.

Mukund Kabra

No. He was asking about some extraordinary item, I think that something was there in the last quarter, which is not here right now.

Beni Prasad Rauka

That was there in FY Q3, right? Q3, we had some exceptional item. That was, I think, one was related to reversal of some provision, which we were carrying in our books for some litigation matter. So that has come in our favour. So about, I think, INR 16 crore was the reversal. And in addition to that, we have provided for the impact of the labour laws because in India, you have seen that new labor laws have been enacted. So, impact of those labour laws on our payroll cost, so that we have taken into account. So this is, I think, pertaining to Q3 of this year.

Shreyans Gathani

Got it. So my last question pertains to the R&D center, like, maybe expected to operationalize in the second half of the year. So what kind of incremental expenses are we looking at in terms of percentage of R&D spends, in terms of percentage and rupee spend? Then also, like, have you already started hiring for that? Like, what is it going to be the capacity for that? How many people are we looking to hire over there?

Mukund Kabra

Of course, the expenses are going to go up, but not like we will try to maintain between the whatever the current percentage what we are going up because it also depends on the function of the sales. In terms of persons, some persons we already hired, some persons we are planning to shift from our existing R&D center, and some persons we are in a process to hire. In terms of capacity, the capacity in a given time, it will take some more time to really come to the fullest utilization, but we intend to increase in the first phase by the threefold of what current capacity what we have.

Shreyans Gathani

Okay.

Vasant Rathi

It's a phased manner. You know, expansion will be in a phased-out manner.

Shreyans Gathani

Got it. That's helpful. So, are we looking to close down the other R&D centers, because you said we are moving people?

Vasant Rathi

No. We will not be closing.

Mukund Kabra

Those will continue. But at the same time, some people will move from here. We will be going with lot of modern machineries out there so that the people requirement will be lesser, but we can get more higher output out there.

Shreyans Gathani

Okay. Got it.

Beni Prasad Rauka

In absolute terms, the R&D revenue expenditure is likely to go up by INR 50 million. Okay. And CapEx is definitely going on. So that will be, again, additional, I think, INR 50 crores we will be spending this year. So I think overall CapEx on R&D will be about INR 130 crores.

Shreyans Gathani

Got it.

Beni Prasad Rauka

And maybe 50 we are going to spend during this year.

Shreyans Gathani

Got it. Okay. And what would be our current utilization? Are we looking to do any kind of capacity expansion, in terms like, I know we just do incremental and we find efficiencies, but anything as we are increasing sales, are we going to need more capacities, or are we okay with this?

Mukund Kabra

In the main company, we will be taking that call after September. As of now, we do have a preparation on the on the ground, so that whenever we want to go, we can go very quickly, rapidly. The infrastructure buildup is done. We may look into some capacity increment in the one of the subsidiary company this year. So those are the plans as of now.

Shreyans Gathani

Got it. That's very helpful. That's all from my end. Thank you, and good luck.

Vasant Rathi

Thank you.

Mukund Kabra

Thank you.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Rohit Ohri from Progressive Shares. Please go ahead, sir.

Rohit Ohri

Hi, team. Good to see the company evolve from domestic enzyme manufacturer to an integrated specialty bio solution platform. I think this is where the alpha lies, and many congrats on this, one of the strongest quarter that you all have delivered.

Vasant Rathi

Thank you.

Rohit Ohri

Yes, sir. So I have a few questions. While you're becoming a global innovator in this bio-manufacturing platform with certain modes that you have, and we also see this small CWIP or some sort of expansion that is happening, if you can take us through that, this fermentation capacity that we have of around 500 kind of metric cube -- sorry, meter cube capacity. But when do you think that the next round of expansion should come through?

Mukund Kabra

That's what I said. Like, we might look some capacity expansion into the one of our subsidiary company, and we will take the call in the month of September when we should really increase. So as of now, currently stand, we do have infrastructure to increase the capacity increment by 50% right away. Okay, so we'll take the call as we move forward in this year.

Rohit Ohri

Kabra ji, what would be the peak revenue that we get from this capacity currently?

Mukund Kabra

It's very difficult to say because, Rohit, it's like always the product mix, how it's moving, what are the different areas which are moving. And as I was saying, like, there is a constant improvement in the productivity. So, it's a lot of blending games, even, like, I mentioned earlier as well, like, this year, we could increase some of the products output to maintain the pressure on the pricing. So these are all the blended, I mean, like, it's very difficult to say exactly revenue.

Rohit Ohri

Okay. Sir, on the working capital, we see some stress over there in the inventory. Is it because of the demand, or, is it some new client that you all are onboarding, or maybe just talking because of the pricing in the industry?

Mukund Kabra

It's not only the pricing, but it's because of the uncertainties of supply chain and other things that you never know what will happen tomorrow. So, you don't want to get stock-out for the raw materials and other area. And you should be able to deliver because it's a game of, like, logistic delivery. So sometimes you need to build up the capacity, build up the inventories to manage all the changing global environments.

Rohit Ohri

And on the receivables side, is it because of stronger sales, or are we giving some higher credit to some of the clients or customers?

Mukund Kabra

The things are more or less same. But, Rauka, you can put some more lights on the number. I don't feel like there is a much of difference, on the strategy front.

Rohit Ohri

Okay. Sir, on the competitive positioning, while Rathi ji also mentioned that this year could be a little bit of a challenging on the international front, how do you see -- or what are the things that generally the customer looks at while they are trying to choose AETL over Novonesis and or Hansen? What are the cost advantages that we generally see? And why would they prefer us while we might compare with some of the European players or maybe some other players in China who could be having better margins or maybe defensive margins as compared to us?

Mukund Kabra

It's like, the time is always challenging. It's a very good question. The time is always challenging, and the challenging time always create some opportunities. I always feel that the company like us gets more opportunity when the time is more challenging because that's the time when every everyone is in panic. That's the only time the people start looking for the alternatives as well. If you are, like, comfortable, probably, you don't look into it.

Vasant Rathi

And also, one more thing you have to remember that we are not a company which is just came up in the last few years. It has a tremendous track record of last 30-40 years, right? So that all counts. That is because, ultimately, people should trust you deliver. That you can deliver.

Rohit Ohri

Okay. Makes sense, Rathi ji. My last two questions is if you can take us through what are the developments which are happening with Staria, which was recently having some corporate developments happening over there.

Vasant Rathi

Well, it has been just being established completely independently. And I think the will be coming year will be the first year for the Staria as you see independent company. The response is pretty good.

Rohit Ohri

Anything on the numbers that you would like to share on the top line?

Vasant Rathi

No. There is nothing another. It is just a starting, so there is not much of a numbers came right now.

Mukund Kabra

Rohit, I would say that we are not, like, really looking for the numbers, but it's more like a strategical fit as well to expand the U.S. market as well, right? So, it's more like a strategy rather than the exactly number, and we are not really looking for two big numbers to come up in just near terms.

Rohit Ohri

Okay. Last one. If you have the number handy, maybe an approximate number to the revenue which could be coming from the products which are launched in the last three years or so.

Mukund Kabra

Good question. We will have to calculate, Rohit ji. But yeah, there will be some good review as well. Because we don't, like, separate it out that way, yeah.

Vasant Rathi

Yeah. It is not like, as you know, we have do a lot of combination products, lot of very proprietary products, and it's not possible, at least sometimes, to just say this is more or this is less kind of thing. We have a broad range of enzymes, and they have their own function. And it is just create a very unique formulation for the industry.

Rohit Ohri

Rathi ji, ballpark number, maybe, like, 10% or maybe 15%. That is what I was looking at.

Vasant Rathi

Well, the growth you can see whenever you take out one individual product, which you all know, and rest of them is all like that.

Rohit Ohri

Okay.

Vasant Rathi

We are very much as a, what you call it, proprietary enzyme product kind of company.

Rohit Ohri

Okay, Rathi ji, Kabra ji, thanks for answering my question. Thanks a lot.

Vasant Rathi

Oh, pleasure. Thank you, Rohit. Anytime.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Ashish Thavkar from UTI.

Ashish Thavkar

Yeah. Thanks for the opportunity. Is there any update on where we are in terms of the U.S. tariffs, discussion with the customers? Are they still on the back foot? What's the scene there?

Vasant Rathi

Ashish, thank you for asking this question. You know, every day there's a new drama. We initiated, the customers are always asking when they can get the refund back, and we are asking the government when we can get the refund back, and so on and so forth. So let's play the tune and see what happens, you know, whether the Congress in U.S. Congress acts on it or don't act on it. But there is a lot of drama going on in the court, and politicians, and the business. The people more or less understood that there is a reality of this, and prices in the marketplace is going up. Inflation is really hitting up here also in the U.S., not only in energy, but all the sector, food sectors, supplemental sectors, supplies, all supply lines, okay. We just have a challenge how we can pass on this cost to the customers.

Ashish Thavkar

So as of now, we are still absorbing, 10-odd percentage cost, right, from the tariff?

Vasant Rathi

Yeah, to a certain extent, yes. And it is a gradual process to pass it on and to explain. So that's a process, but you cannot just pass on everything to the customer and lose the market share.

Ashish Thavkar

But at 18% tariff, we would not be very uncompetitive, right, versus the competition?

Vasant Rathi

No, it's a competitive market. It is, you know, when you get into ingredients and when their cost goes up, and the market is very different, you know, how many times they had to increase that to make their sales, and then that becomes whether the consumer can afford it or not is another issue which they have to face, and what will impact for them because it's a B2B market, no, so?

Ashish Thavkar

Yeah, great. So lastly, on this chemistries, since we are also on the peptide enzymes, and peptide is in, you know, finding lot of relevance globally, what are the opportunities that we are seeing in these chemistries? And if you could help us highlight what are the new chemistries that you guys are targeting?

Vasant Rathi

It's a very interesting opportunity. So, we will try to explore it also. Since we are in a protein area, and enzymes, proteins go hand in hand, and peptides are also part of it. So very interesting areas, and we are exploring all various different possibilities.

Ashish Thavkar

Great. Thanks, and all the best.

Vasant Rathi

Thank you.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Umang Shah from Banyan Tree Advisors. Please go ahead, sir.

Umang Shah

Hi, sir. Congrats on the great performance. Am I audible?

Vasant Rathi

Yes, sir.

Umang Shah

Yeah, great. Sir, I have two questions. Sir, first one is, if you could give the breakup between India and international business in the B2B division segment.

Vasant Rathi

What is the question?

Umang Shah

The breakup of the Indian and international business.

Mukund Kabra

Yes. Rauka ji?

Vasant Rathi

Beni?

Beni Prasad Rauka

Yes. I'm giving the information.

Umang Shah

Sir, meanwhile, the second question was, if you can help me understand, was there any one-time component in the India revenues of Q4? Any sort of pre-booking or pre-buying by customer or something?

Mukund Kabra

No, there is no that kind of revenue. It's not a one-time revenue.

Umang Shah

Okay. Sure, sir. And, sir, one last question was that with our India R&D coming in, would we be freeing up some capacity in Evoxx to make it more customer-facing, or would Evoxx continue doing R&D for us?

Vasant Rathi

Evoxx will continue doing R&D, which -- yeah.

Umang Shah

Okay. Sure, sir.

Beni Prasad Rauka

Umang?

Umang Shah

Yes, sir.

Beni Prasad Rauka

32% of our business has come from India. I'm talking about human nutrition business, and of our total revenue. 32% from India domestic market, and 30% has come from international market. So the total is 63% contribution of human nutrition business in our total revenue for FY26.

Vasant Rathi

It's a balance. Basically.

Umang Shah

Absolutely, sir. So, it's 32% time, yeah. Got it. Yeah. Thank you so much, sir. Have a great year.

Beni Prasad Rauka

Thank you.

Vasant Rathi

Thank you so much.

Moderator

Thank you so much, sir. The next question comes from the line of Mr. Ketan Chheda, an Individual investor. Please go ahead, sir.

Ketan Chheda

Yeah, thank you so much for the opportunity. And sir, congratulations on a good performance for the whole year. Indeed, a good growth that you've achieved. Sir, my first question is with respect to the patents, the numbers that

you publish every quarter in your presentation. I saw that the number has gone down from 17 to 15. Could you just throw some light on that, sir? Like, why is the number of patents reduced?

Mukund Kabra

So, some of the patents, which were not giving the revenue, we thought that is not significant. We are cut down from the list, but we filed two or three. I need to see the exact numbers which we got granted this year as well. But few of the old patents which we thought are not, making contribution to the revenue, we are not focusing on them.

Ketan Chheda

Understood. Thank you so much for that. And my other question is, when I look at your segmental performance, of course, it's a very good growth on all segments, human nutrition, animal nutrition, so and so forth. But when we look at the geographic the thing and of course, the U.S. market has been much discussion we called earlier. But my question is, with respect to a bit long-term going in the past, even if I see four or five years, right, from starting 2021 onwards, our U.S. business has not kind of grown significantly.

So if you could help us understand what kind of business are we doing there? And you, of course, mentioned about the competitive landscape being a bit tougher there. So, if you could throw some more light, I don't know, what kind of business it is and what kind of challenges that we face, that would help us understand the U.S. business better?

Vasant Rathi

Yeah. Most of our U.S. business is in nutraceutical market. We do various different industrial segments in food area and so on, but most of the business is in the nutraceutical market, okay. And the nutraceutical market is under tremendous churn right now in last few years, changing the face of it and changing the habits of the people.

So as you can see, last few years, now probiotics is one of the major market segment. So, U.S. markets is always changing with the new habits, and then rest of the global catch-up is there. And this is always going to be like that. But market is growing in various different segments, and we need to catch-up that rising trend, and that's what we're doing.

Ketan Chheda

Right. So, then my next question was also we can speak with respect to probiotics view, which you just touched upon. If I look at the presentation, you've given a segmental revenue also for the probiotics, which has significantly reduced from last year. So, again, if you could help us understand why we see probiotics as a growth segment for us, and our revenue contribution in that segment is a very small one, and the addressable market is a significant one.

Mukund Kabra

So, Ketanji, what happened there is, what we are reporting the revenues are the -- what we used to or what we are currently as well reporting the revenues are the individual, which was, kind of what I would say is a commodity market. Now, the approach has changed, and we are making lot of different solutions using the probiotics, which are not really reflecting into the exact numbers because it is very difficult to segregate them because it's always been not utilized as an individual product. So, the probiotics is, like, used very widely in a lot of, like, U.S. formulations, but you won't be able to separate it out. Exactly. The numbers what you are looking at, it is going down or going up. It's the individual probiotics which you are selling, and those are, like, more like a commodity segments.

Vasant Rathi

But I can assure you that our probiotic business is very strong.

Ketan Chheda

Sure. Thank you for answering all questions, and wish you all the best. Thank you so much.

Vasant Rathi

Thank you.

Moderator

Thank you, sir. There are no further questions. Now, I hand over the floor to Mr. Ronak Saraf for closing comments.

Ronak Saraf

Thank you, everyone, for taking your valuable time for attending our earnings conference call. We will keep you all posted for any further updates. I request you all to kindly send in your further questions that may remain unanswered. Audio recording and the transcripts of this call will be uploaded on our website in the due course. Looking forward to host you all in the next quarter. Till then, stay healthy, stay safe.

Beni Prasad Rauka

Thank you.

Vasant Rathi

Thank you, everyone.

Mukund Kabra

Thank you, everybody.

Moderator

Thank you, sir. Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and for using Door Sabha's conference call service. You may disconnect your lines now. Thank you, and have a pleasant day.