Annual Report **2025-26**

Innovation. Scale. Focus.

A year of **operating momentum, renewed strategic conviction,** *and* **capital commitment**

Fermenta Biotech Limited

As awareness of preventive healthcare rises, global demand is accelerating for high-standard, science-backed solutions, and for the top-quality ingredients that underpin nutritional wellness.

At Fermenta, we pair process and molecular expertise with science-validated capability to deliver best-in-class nutritional ingredients that are trusted by leading brands across the pharmaceutical, dietary supplement, food and beverage, veterinary, and animal nutrition industries.

Innovation Chemistry for Global Nutrition & Wellness

What sets us apart is decades of expertise in global-scale, complex manufacturing, coupled with research-driven custom solutions in green chemistry, APIs and intermediates, and environmental solutions. Our chemistry is built to solve, engineered to scale, and proven in the field. Over 400 discerning customers in more than 60 countries trust Fermenta with their unique needs and stringent regulatory standards.

INSIDE

Our Inheritance

Dr DVK Raju

1918—2001

As a free India found its feet in 1951, **Dr DVK Raju** set out to build something the country had never had: a homegrown pharmaceutical industry of global ambition. He pursued that vision with unwavering determination, lifting Indian pharma onto the world stage and redefining what an entire nation believed possible. His pioneering ventures brought him into partnership with global giants such as Crookes Laboratories, Solvay, Evans Medical, and Sankyo. As India's first Vitamin D manufacturer, Dr Raju went on to create healthcare icons, among them the country's marquee paracetamol brand Crocin and the Lacto Calamine skincare lotion.

In 1986, the baton passed to **Datla Vasant Kumar**, who sought newer shores and uncharted waters. He realigned the franchise Dr Raju had built and ventured into segments where science and scale could accelerate growth, while preserving the founding instinct for innovation. From that reimagination Fermenta Biotech was born. Its earliest mandate was to build in-house capabilities for nature-based enzyme catalysts that produced beta-lactam antibiotics through the enzymatic route. It was in his tenure that Fermenta introduced its enhanced polymer-based PGA enzyme catalyst, the platform on which much of what followed was built.

Datla Vasant Kumar

1949—2005

That same spark of innovation and instinct for science-led, global-scale manufacturing is the foundation on which Fermenta's current generation, led by Executive Vice Chairman **Krishna Datla** since 2005, stands today. The vitamins franchise Dr Raju pioneered, together with the enzyme and fermentation capabilities Datla Vasant Kumar instituted, now anchors a comprehensive portfolio of premium APIs, intermediates, green chemistry, and nutritional ingredients reaching over 400 customers in more than 60 countries.

In inspiring generations of Indian scientists and entrepreneurs to dream beyond boundaries and to shape a future defined by Indian ingenuity, Dr Raju left a conviction that true transformation begins with a single visionary. Datla Vasant Kumar carried that conviction into a new era, proving that the most enduring legacies are those that are continually reimagined. It is that combined inheritance Fermenta carries forward.

At a glance

Founding year	1951
Listing	1977
Stock exchange code	BSE: 506414
Revenue FY26	₹548 crore
Net profit FY26	₹70 crore
Subsidiaries	Fermenta Biotech GmbH, Germany–100% Fermenta Biotech USA, LLC–100% Fermenta USA, LLC–52% (marketing) Fermenta Environment Solutions Pvt Ltd–100%
Number of employees	600+

Chairman
Pradeep M Chandan

Managing Director
Prashant Nagre

Chief Financial Officer
Sumesh Gandhi

Company Secretary
Varadvinayak Khambete

Registered office
Fermenta Biotech Limited
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Bankers
HDFC Bank Ltd
Union Bank Ltd
Yes Bank Ltd
Bank of Baroda

Corporate Identification Number (CIN)
L99999MH1951PLC008485

International Securities Identification Number (ISIN)
INE225B01021

Registrar and Transfer Agents
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Solicitors
Crawford Bayley & Co

Auditors
SRBC & Co LLP
Chartered Accountants

Tax Auditors
SCA & Associates
Chartered Accountants

Internal Auditors
MM Nissim & Co LLP
Chartered Accountants

Cost Auditors
Joshi Apte & Associates
Cost Accountants

Secretarial Auditor
VN Deodhar & Co
Company Secretaries

NEW IN FY26

Green enzymes

Revival of Penicillin G Acylase Enzyme productivity significantly increased

Vitamin D3 100 SD

EDQM CEP certification secured

Patented plant-source Vitamin D3 Indian process patent granted, 2025

400+ customers in **60+** countries

Among the **world's top 3** manufacturers of Vitamin D3

Global certifications

for manufacturing facilities

DSIR-approved R&D facility

15+ certifications across all major geographies.

Key financials

Diversified growth strengthened the balance sheet and cash

Revenue hits a new record

Consolidated revenue rose 14% to ₹548 crore in FY26 from ₹481 crore in FY25 — the highest-ever topline. Excluding real-estate value-unlocking, core revenue grew 26% on strong Vitamin D3 demand.

Operating leverage sustains EBITDA

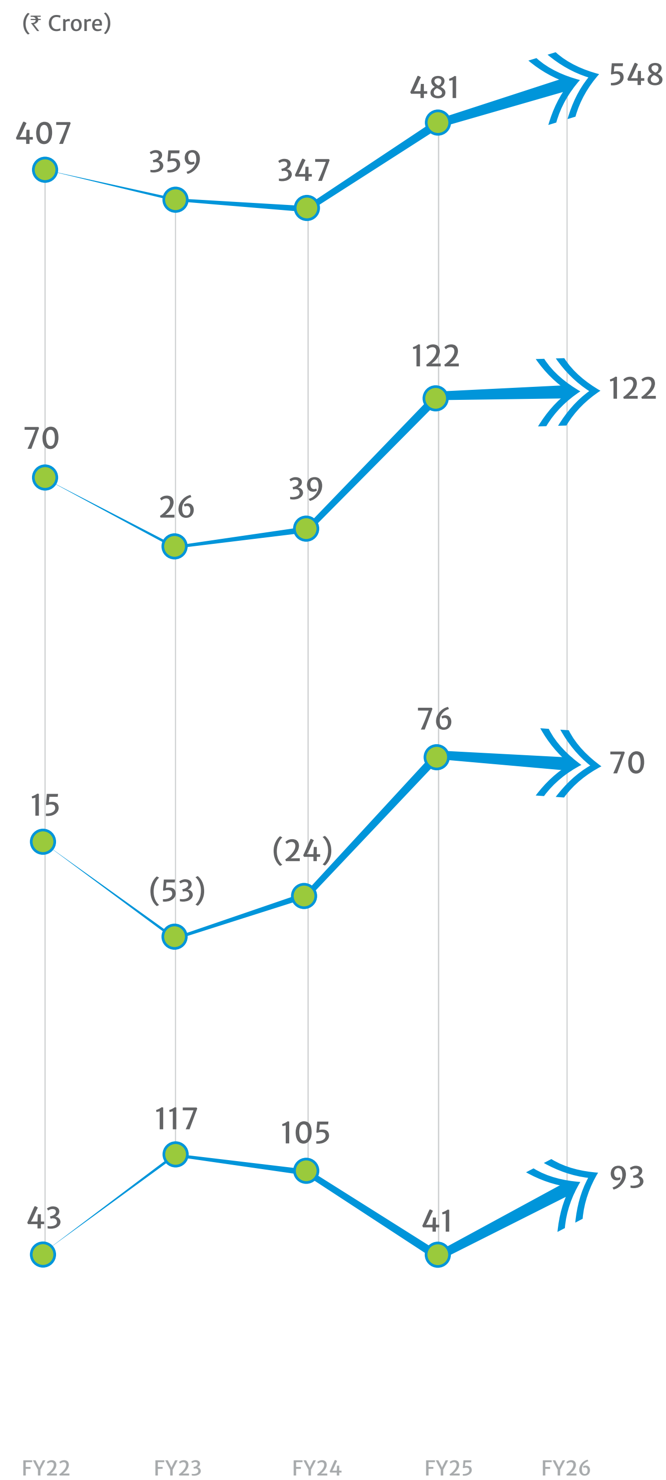
EBITDA (with real estate) held at ₹122 crore in FY26. Excluding real estate, EBITDA rose 44% to ₹120 crore, reflecting strong operating leverage across the core nutrition business.

PAT continues to be strong

Reported PAT was ₹70 crore versus ₹76 crore in FY25. Stripping one-off real-estate income from both years, underlying PAT strengthened, in line with the 44% rise in core EBITDA.

Cash conversion accelerates

Cash flow from operations more than doubled to ₹93 crore in FY26 from ₹41 crore in FY25 as profit-to-cash conversion sharpened. Free cash flow more than tripled to ₹62 crore.



Fixed assets: primed for the next growth cycle

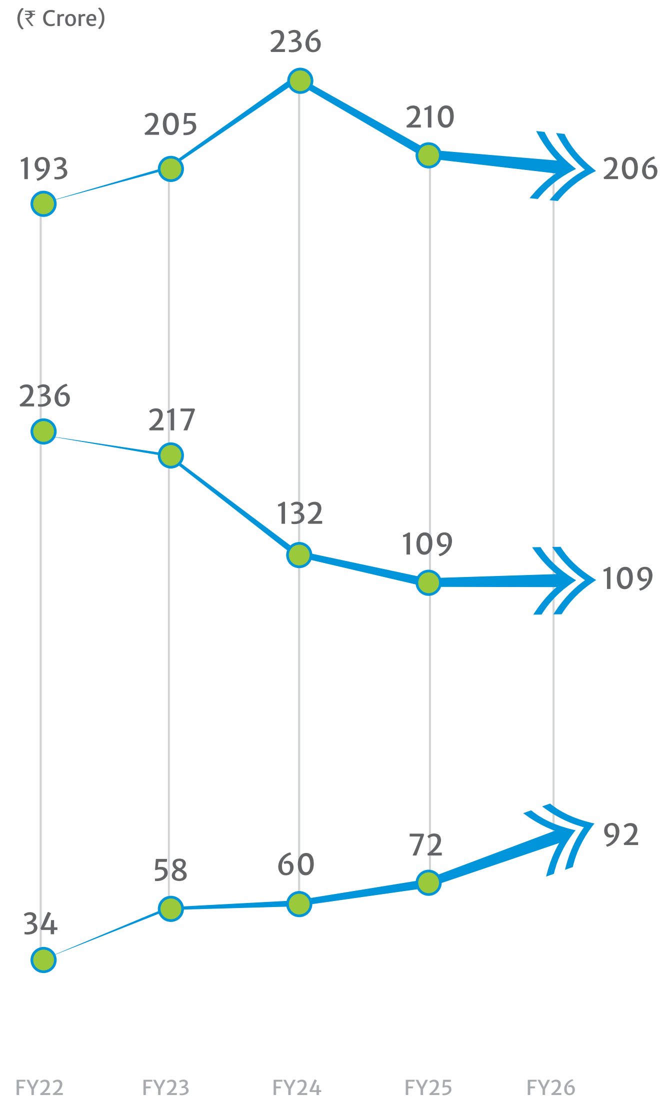
Net fixed assets stood at ₹206 crore in FY26 against ₹210 crore in FY25 as depreciation outpaced capex. The ₹110 crore Dahej programme will scale capacity for plant-based Vitamin D3, Calcifediol and enzymes.

Balance sheet: deleveraging holds its ground

Gross debt was held flat at ₹109 crore in FY26, while net debt roughly halved on a stronger cash position. Debt-to-equity eased to 0.27 from 0.30, strengthening the balance sheet.

Cash & cash equivalents: reserves build further

Cash and equivalents, including term deposits with banks, rose 28% to ₹92 crore in FY26 from ₹72 crore in FY25; this lifted liquidity and supported the capex programme while preserving balance-sheet flexibility.



Two years ago the focus was recovery; in FY26 the emphasis shifted to diversified, sustainable growth. A record ₹548 crore topline and a tenth straight quarter of positive results were underpinned by three moves — a granted plant-based Vitamin D3 patent, ₹110 crore of new capacity, and an enzymes franchise supplying India's penicillin industry revival. Fermenta is well-positioned to build on this foundation.

From the Chairman

This is the 75th year of your Company's incorporation, and amongst the most consequential for the modern Fermenta. FY26 carried forward the financial recovery of FY25, and it has set the direction for the coming years.

Pradeep M Chandan
Chairman

Your Company is best known as one of the world's three largest manufacturers of pharmaceutical-grade Vitamin D3, but FY26 was the year it set the direction for a wider future, one that carries that manufacturing depth into enzymes, Vitamin D therapeutics, and green chemistry alongside its core nutrition business.

The operating businesses delivered another four quarters of positive results, an unbroken series now spanning ten quarters; the audited numbers in the pages that follow continue the trajectory of FY25. Where FY25 was about returning to the right level, FY26 was the first full year of growing from it. But the numbers are not the only reason FY26 will be remembered as a turning point. It will be remembered for a breakthrough and two decisions by Fermenta's leadership.

The VITADEE Green® Breakthrough

In September 2025, the Indian Patent Office granted Fermenta's process patent for plant-source Vitamin D3. For a company that until very recently was India's only manufacturer of Vitamin D3 in any form, this is a foundational asset. It moves your Company from process expert to patented innovator, at a moment when the global market for clean-label, vegan Vitamin D3 is reorganising around traceability and scale that the incumbent alternatives cannot deliver.

The patent is, on the science, more than a category-economics story. The vegan and vegetarian alternative to animal-sourced Vitamin D3 has, until now, been Vitamin D2, a form the clinical literature consistently finds significantly less effective than D3 at raising and maintaining vitamin D status. A sustainable, scalable, affordable, plant-source Vitamin D3 removes that trade-off.

"The patent granted this year moves Fermenta from process expert to category owner in plant-source Vitamin D3"

Population-level deficiency runs between seventy and ninety per cent across India, with comparable rates in many other countries. The downstream costs are not minor: bone fragility, immune dysregulation, links to chronic disease. Affordable, dependable Vitamin D3 supply is one of the highest-yield social investments a fortification or supplementation programme can make.

Capex for Diversified Lines of Growth

In December 2025, your Board approved a capital expenditure programme of ₹110 crore at the Dahej facility. Approximately ₹60 crore supports new commercial-scale capacity for plant-source Vitamin D3 and the Vitamin D analogue Calcifediol, products that span nutrition and clinical therapeutics. This has been set in motion. The balance of ₹50 crore has been planned for two enzymes for pharmaceutical biocatalysis: CAL-B Lipase and Penicillin G Acylase; it positions your Company within the revival of penicillin manufacturing in India under the Production Linked Incentive scheme, the first such revival in twenty years.

“Our Penicillin G Acylase enzyme targets future semi-synthetic penicillin manufacture in India, including amoxicillin.”

Green chemistry replaces solvent-heavy pharmaceutical processes with enzymatic biocatalysis that works in water and at ambient temperature, with materially lower environmental cost and often higher product purity. CAL-B Lipase serves oleochemistry, biodiesel, chiral chemistry, and several other categories that need to decarbonise . The Penicillin G Acylase your Company makes targets future semi-synthetic penicillin manufacture in India, including amoxicillin. Forty years ago, when green chemistry meant nothing in Indian industry, this Company pioneered it under Datla Vasant Kumar.

Environment Solutions Gets Its Own Focus

Your Company operates across four areas where innovation chemistry meets global health and wellness: nutrition, industrial biocatalysis, and Vitamin D therapeutics. Vitamin D is the largest, while the enzymes and the nutrition platforms have grown into substantial businesses in their own right.

Alongside these strategic moves, your Company completed the slump sale of the Environment Division to a focused subsidiary, Fermenta Environment Solutions Pvt Ltd, effective 1 October 2025, for ₹19 crore. The Environment business, water treatment, sewage, and biotechnology-led remediation, has a different customer set and a different sales cycle, and deserves dedicated focus.

“Fermenta will not dilute its DNA of true invention and innovation.”

Anchored in 75 Years

Each of your Board's decisions this year continues work this Company has been doing for seventy-five years. Dr DVK Raju founded what is now Fermenta in 1951 as a chemist building chemistry for a newly independent country. The joint ventures with Phillips Duphar and Crookes, and the eventual focus on Vitamin D3, were each an application of one underlying capability: difficult science at scale, delivered to a quality that regulated markets could depend on. The Datla family has carried that capability forward across three generations. The biotechnology investments your Company began making four decades ago, when "green chemistry" was a phrase nobody in Indian industry was using, is at the centre of Fermenta's future growth. The Penicillin G Acylase enzyme that the December capex now scales for commercial supply is an idea from four decades ago finally meeting its market.

People, Purpose, and the Communities We Serve

Our extended Fermenta family, more than 600 employees across India, Germany, and the United States, has been the engine of that growth. Senior-level retention, resilience through the post-pandemic correction, and the disciplined willingness to defocus from businesses that did not earn their margin reflect a workforce and a leadership team that take the long view. A large share of our top management has been with the Company for well over a decade, including through the down-cycle.

The Environmental, Social, and Governance work continues. Our contributions to Poshan Abhiyaan, the long-standing work with the National Association for the Blind, and our environmental and animal-welfare programmes are not appendices to the business. They are an extension of the founder's belief that the right answer to a public-health problem is often a chemistry problem solved well.

The Dahej capex is sized for the next several years; the patent gives Fermenta a differentiation in our target markets. The green chemistry vertical is responding to fast-rising demand, the PLI penicillin revival in India, the antibiotic capacity rebuild in the Gulf, and the steady expansion of enzyme applications across our customer base.

Fermenta's DNA is of true invention and innovation: our chemistry of multi-step organic synthesis, fermentation, enzyme work, and the audit history that goes with multi-pharmacopoeial supply, is not the kind that commoditises. Vendor qualification is a rigorous process; which is why our customers stay with us. The position your Company occupies in each of its categories has been built one audit, one filing, one approval at a time, and that accumulated work, done patiently over decades, makes for sustainable growth.

My thanks to the Datla family, to Prashant and the management team, to our 600+ employees across India, Germany, and the United States, to our customers, regulators, partners, and bankers, and to you, our shareholders, for the successful year just past and many more to come.

Pradeep M Chandan
Chairman

From the Managing Director

When I wrote to you a year ago, FY 2024–25 was framed as a year of resilience, recovery, and growth. FY 2025–26 has built on that foundation.

Prashant Nagre
Managing Director

For the ten quarters since the post-pandemic correction ended, your Company has posted positive sequential results. FY26 is the second full year of that streak, and the first full year in which the recovery thesis has clearly given way to broad-based growth across the three operating businesses. Excluding the value-unlocking from the real-estate development rights, now in their terminal phase, Fermenta delivered a consolidated operating revenue of ₹538.4 crore in FY26, up 26 per cent from a year ago. EBITDA was ₹120 crore, up 44 per cent In the first nine months of FY26 itself, EBITDA at ₹95.1 crore had surpassed full-year FY25 EBITDA by 14.1 per cent.

Three Sources of Growth

Vitamin D3 Human Nutrition, our largest revenue contributor, grew 29 per cent year-on-year in FY26, on top of FY25's 62 per cent growth. That is two consecutive years of growth in our core franchise, reflecting normalisation of post-pandemic customer inventory, broader approvals for our spray-dried Vitamin D3 100,000 IU/g (D3 100 SD), and the widening of our value-added formats into segments where we previously sold only crystalline material.

Animal Nutrition's contribution continues to be redefined. Six years ago it was nearly two-thirds of revenue and a price-cycle business; in FY26 it was 20 per cent, and its Indian portion has been re-engineered into a strategic franchise. Capacity expansion at Kullu, a new spray-drying line, and direct relationships with two large Indian feed customers enabled our largest-ever Indian feed volumes at margins that did not depend on the international price cycle. The international feed business, through our German subsidiary, contributed record annual volumes.

The breakout story of FY26 was Green Chemistry. After concentrated effort in operational excellence, R&D process improvement, and dedicated business-development capacity on the enzymes side, the division posted its highest sales in a very long time. Two structural drivers helped: the revival of Penicillin G manufacturing in India under the PLI scheme, the first such domestic capacity in twenty years, and customer additions in the Gulf, where antibiotic-precursor capacity is being rebuilt.

"The breakout story of FY26 was Green Chemistry."

Three Material Events

Three developments in FY26 were larger than the year itself.

Patent grant. In September 2025, the Indian Patent Office granted Fermenta a process patent for plant-source Vitamin D3 (VITADEE Green®), placing your Company in a category-defining position in vegan Vitamin D3, a global market currently dominated by alternative sources with significant traceability, purity, and scale limitations.

₹110 crore capex. In December 2025, your Board approved a ₹110 crore capital expenditure. Nearly ₹60 crore supports the plant-source Vitamin D3 commercial scale-up and Calcifediol, a next-generation Vitamin D metabolite with clinical relevance for therapeutic D-deficiency correction; nearly ₹50 crore is planned for CAL-B Lipase and Penicillin G Acylase. This is the largest capacity commitment in Fermenta's recent history, with almost half of it outside nutrition.

Environment Division slump sale. The Environment Division was transferred to a dedicated subsidiary, Fermenta Environment Solutions Private Ltd, effective 1 October 2025, for ₹19 crore. This focuses the parent on the three businesses where it has differentiated chemistry, Nutrition Innovation, Biocatalysis and Green Chemistry, and Vitamin D Therapeutics, and gives the Environmental business the dedicated structure it needs to grow.

"Where FY25 was about resilience, recovery, and growth, FY26 is about innovation, scale, and focus."

VITADEE Green®

VITADEE Green® progressed meaningfully through FY26. The Indian process patent was granted in September 2025, and validation batches in both oil and spray-dried powder formats have been produced. The manufacturing capability is in place, and the ₹110 crore Dahej capex commits commercial-scale capacity behind the product. The Food Safety and Standards Authority of India (FSSAI) registration remains under review, and our engagement with the authority on the file is continuing and constructive.

When the FSSAI registration is granted, the commercial launch will introduce a patented, plant-source Vitamin D3 from one of the world's largest D3 manufacturers into a category whose current vegan alternative, Vitamin D2, is on the clinical evidence significantly much less effective than D3 at raising the body's vitamin D status . For mass food-fortification programmes that must reach populations with dietary restrictions, that gap has meant lower health benefit per rupee than the same outlay in Vitamin D3 would deliver. A sustainable, scalable, affordable, plant-source D3 will close that gap. Our commercial preparation is complete, and we continue to engage with FSSAI on the registration.

Operating Discipline, Cost Posture, and Strategic Priorities

The disciplined posture that defined FY25 carried into FY26. Where margins were not adequate, your Company chose to step back rather than chase volume at the wrong economics. That improved the quality of profit across the business. Manufacturing at Dahej, Kullu, Tirupati, and the German toll-manufacturing relationship was strong: facilities cleared their certifications without observations, the cholesterol backward-integration plant completed its upgradation, and the Kullu premix plant continued to participate in international fortification tenders following its GAIN approval.

Your Company crossed FY26 with more than 600 employees across India, Germany, and the United States. Retention at the senior levels has been a quiet competitive advantage: a large share of top management has been with Fermenta for thirteen years or more, including through the down-cycle. Industrial relations across all manufacturing sites remained stable, with no significant disputes.

Several tailwinds shape the year ahead. The plant-source Vitamin D3 market is moving toward supply that is traceable, scalable, and dependable, which is exactly what Fermenta has built VITADEE Green® to be. The PLI scheme has revived Indian penicillin manufacturing for the first time in two decades, and demand for Penicillin G Acylase is already live, giving the enzymes block at Dahej a known offtake before it commissions. Calcifediol is approaching final validation as clinical therapeutics open up as a distinct end-market, and the spray-dried D3 100 SD has food and supplement segments actively looking for the kind of manufacturer your Company is.

Gratitude

The legacy of this Company has been carried by the Datla family for 75 years across three generations and held together at the operating level by a culture of honesty, candour, and trust. Fermenta has never had a regulatory observation against any of its manufacturing facilities in any geography we serve. That fact, although mentioned rarely, is in my view an accurate measure of what this Company represents.

To our employees: thank you for your excellence and hard work. To our customers, regulators, and banking and supply partners: thank you for the trust. To the Chairman and the Board: thank you for the room to execute. And to you, our shareholders: thank you for your patience and belief in Fermenta's value proposition. If FY25 was about resilience, recovery, and growth, FY26 was about innovation, scale, and focus: the patent that puts a category on a new footing, the capital commitment that gives the next few years its hardware, and the discipline that gave us ten consecutive quarters of positive results.

Prashant Nagre
Managing Director

Leadership

Guided by Experience. Driven by Vision

Decades of Industry Expertise

Our leadership team combines extensive experience in pharmaceuticals, corporate governance, innovation, and compliance

Commitment to Best Practices

Strong governance, ethical standards, and a focus on sustainable growth underpin our leadership philosophy

Strategic Visionaries

Each member brings unique strengths to drive Fermenta's mission and long-term value creation

Pradeep M Chandan

Chairman and Independent Director

More than 37 years of corporate experience including legal, CS, compliance, corporate governance, investor relations, ESG reporting, restructuring, IPRs, real estate, joint ventures, and greenfield projects.

Fellow member of ICSI; Commerce & Law graduate from Mumbai University. Undergone Management Development Program from SP Jain Institute of Management & Research, Mumbai. Master Certificate Course in IPR from IES Institute, Mumbai. Member of Stakeholders Relationship Committee.

Krishna Datla

Executive Vice-Chairman

More than 25 years in leadership. Responsible for vision, strategic decision-making, global expansion, and overseeing new businesses.

Commerce graduate from Mumbai University. Member of Stakeholders Relationship and CSR Committees.

Prashant Nagre

Managing Director

More than 36 years of pharmaceuticals industry experience. Leads strategy, operations, R&D, business development, budgeting, and manufacturing.

Master of Management Sciences, PG Diploma in International Trade (IIFT, New Delhi), and Bachelor of Pharmacy. Member of Audit and Risk Management Committees.

Anupama Datla Desai

Executive Director

More than 20 years of experience in quality control and safety, R&D, innovation, patents, and implementation of new technology platforms.

Post-graduate in Biotechnology from Mumbai University; Science Graduate from Boston College, USA. Member of Risk Management Committee.

Our leadership team's collective experience and commitment to excellence position Fermenta for continued success and responsible growth

Rajeshwari Datla

Non-Executive Director

More than 51 years of rich experience in management, research and operations in the pharmaceutical industry.

Bachelor of Science. Member of Nomination and Remuneration, and CSR Committees.

Satish Varma

Executive Director

More than 31 years of extensive hands-on experience in Fermenta's leadership, management, operations, enterprise systems, and legal. With Fermenta since 1995, initially as Executive Assistant to the Managing Director, and since 2003 as a Director on Fermenta's Board.

Computer Science. Member of the Stakeholders Relationship and Risk Management Committees.

Pramod Kasat

Independent Director

More than 33 years of experience in corporate leadership, investment banking, and capital market solutions.

BE (Electrical & Electronics) from BITS Pilani; MMS (Finance) from Sydenham Institute of Management Studies, Mumbai University. Member of Audit, Nomination and Remuneration, and Stakeholders Relationship Committees.

Rajashri Ojha

Independent Director

More than 36 years of experience in global drug regulatory affairs, QC-QA-QM, regulatory compliance, audits and inspections, registration and marketing approvals across the globe. GxP Trainer and Lead Auditor for ISO 13485:2016, ISO 9001:2015, and ISO 22000-2018.

Bachelor of Pharmacy. Member of Audit, Nomination and Remuneration, CSR, and Risk Management Committees.

Ramanand Mundkur

Independent Director

More than 31 years of experience in managing financial sector issues, corporate governance, complex cross-border transactions, mergers and acquisitions, arbitration and international dispute resolution. Also a law school visiting faculty.

BA, LLB (Honors) from National Law School of India University, Bangalore, India; LLM (Master of Law) from Harvard Law School, Cambridge, USA. Member of Audit and CSR Committees.

Lines of Business

Innovation chemistry is Fermenta's overarching proposition. It spans four areas: nutrition, which supplies nutritional ingredients to the health and wellness industries as the primary revenue source; green chemistry; APIs and intermediates; and environmental solutions.

Nutrition

Vitamin D3 - Human

Plethora of applications in pharmaceuticals, nutraceuticals, food & beverages industry

Vitamin D3 - Animal

Specialized pre-formulations for Animal Nutrition targeting Feed manufacturers offering solutions for ruminants, swine, poultry, companion animals, etc

Others

Vitamin K1, Customized Food Premixes, Fortified Rice Kernels (FRK) and Specialized Nutraceutical Ingredients

Green Chemistry

Enzymatic technologies for eco-friendly processes in chemical, biofuel, and agrochemical industries.

Biotransformation solutions for sustainable products in home and personal care sectors

API & Intermediates

Niche pharmaceutical ingredients and custom synthesis for generic and New Chemical Entity (NCE) developers

Environmental Solutions

Water treatment, sewage, and biotechnology-led remediation.

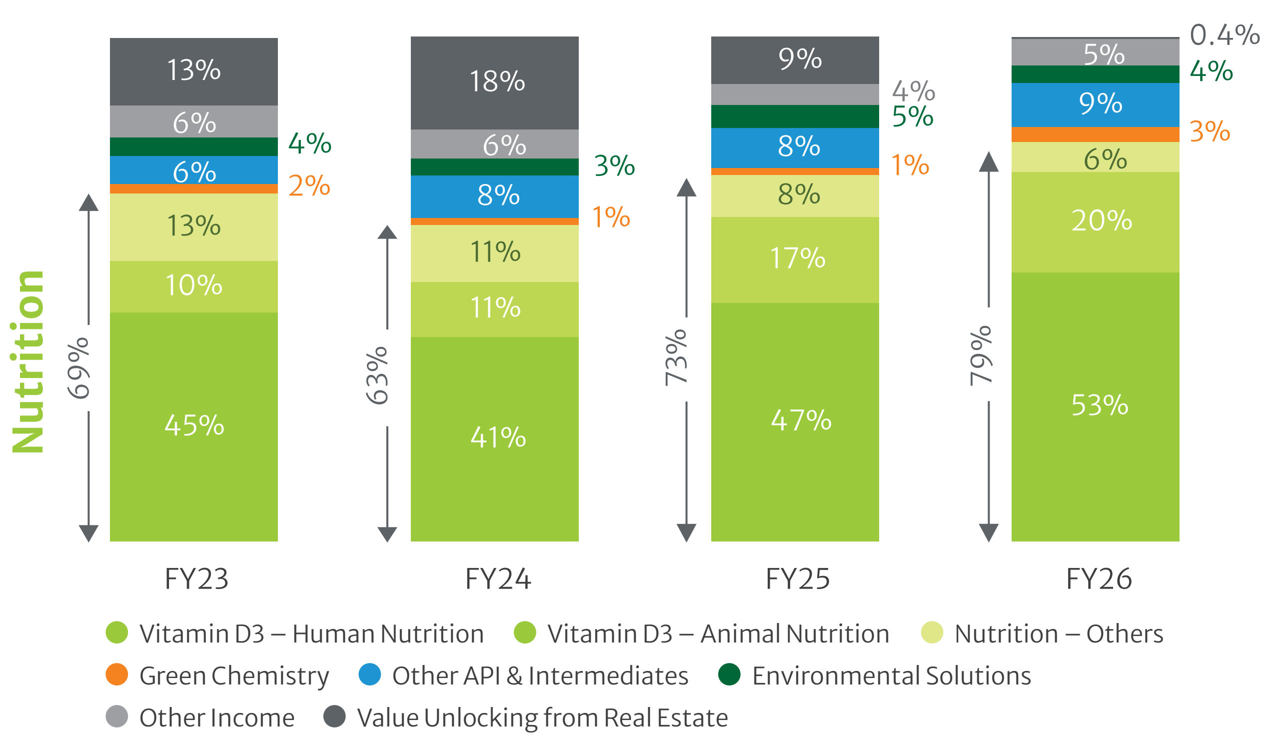
Carved out via slump sale into a dedicated subsidiary — Fermenta Environment Solutions Pvt Ltd (1 Oct 2025) — for focused growth.

Revenue Mix (Consolidated)

(₹ Crore)

	FY23	FY24	FY25	FY26
Nutrition Business	**248**	**217**	**350**	**435**
Vitamin D3 – Human Nutrition	163	141	228	293
Vitamin D3 – Animal Nutrition	37	38	82	109
Others	48	39	40	33
Green Chemistry	**7**	**5**	**7**	**16**
Other API & Intermediates	**20**	**29**	**38**	**48**
Environmental Solutions	**13**	**12**	**22**	**19**
Other Income	**23**	**20**	**20**	**29**
Value Unlocking Real Estate	**48**	**64**	**45**	**2**
Total	**359**	**347**	**481**	**548**

Real-estate value-unlocking had, at ₹2 crore, realised its full potential in FY26; the mix now reflects Fermenta's core operating businesses. The differentiated Chemistry business more than doubled its revenue since FY23 to 15% of the total, with Green Chemistry alone more than doubling year-on-year.



Global Manufacturing & R&D: Powering Innovation and Trust

Fermenta leverages a strategic international manufacturing footprint and breakthrough R&D capabilities, earning trust through quality, compliance, and innovation

Global Presence & Certifications

Manufacturing and R&D hubs in India (Thane, Kullu, Dahej, Tirupati) and subsidiary in Germany

Multiple global regulatory certifications, including EU GMP, WHO-GMP, USFDA, FSSC, HALAL, KOSHER, and GAIN

Breakthrough Capabilities

Dedicated Vitamin D3 manufacturing with backward integration, customized premix plants, and fortified rice kernel production

Corporate HQ and R&D excellence center with pilot plant for new products, process development and innovation

Innovation & Quality

Fortified Rice Kernels (FRK) enriched with iron, vitamin B12, and folic acid as per FSSAI guidelines. Also approved by WFP

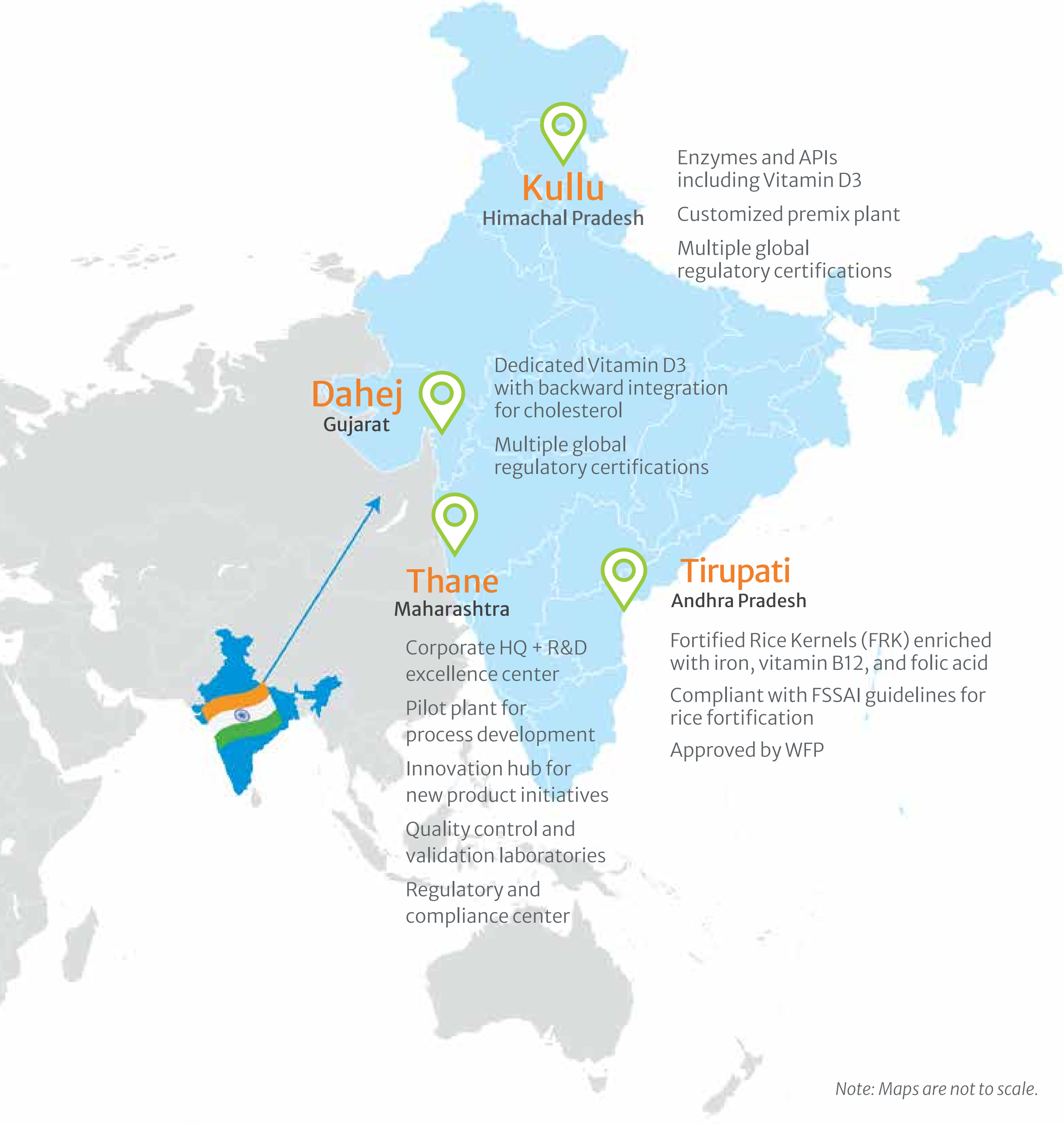
Our dedicated Premix plant has also received GAIN certification

100+ scientists & engineers

75+ years of expertise

15+ key certifications

400+ global customers



Kullu
Himachal Pradesh

- Enzymes and APIs including Vitamin D3
- Customized premix plant
- Multiple global regulatory certifications

Dahej
Gujarat

- Dedicated Vitamin D3 with backward integration for cholesterol
- Multiple global regulatory certifications

Thane
Maharashtra

- Corporate HQ + R&D excellence center
- Pilot plant for process development
- Innovation hub for new product initiatives
- Quality control and validation laboratories
- Regulatory and compliance center

Tirupati
Andhra Pradesh

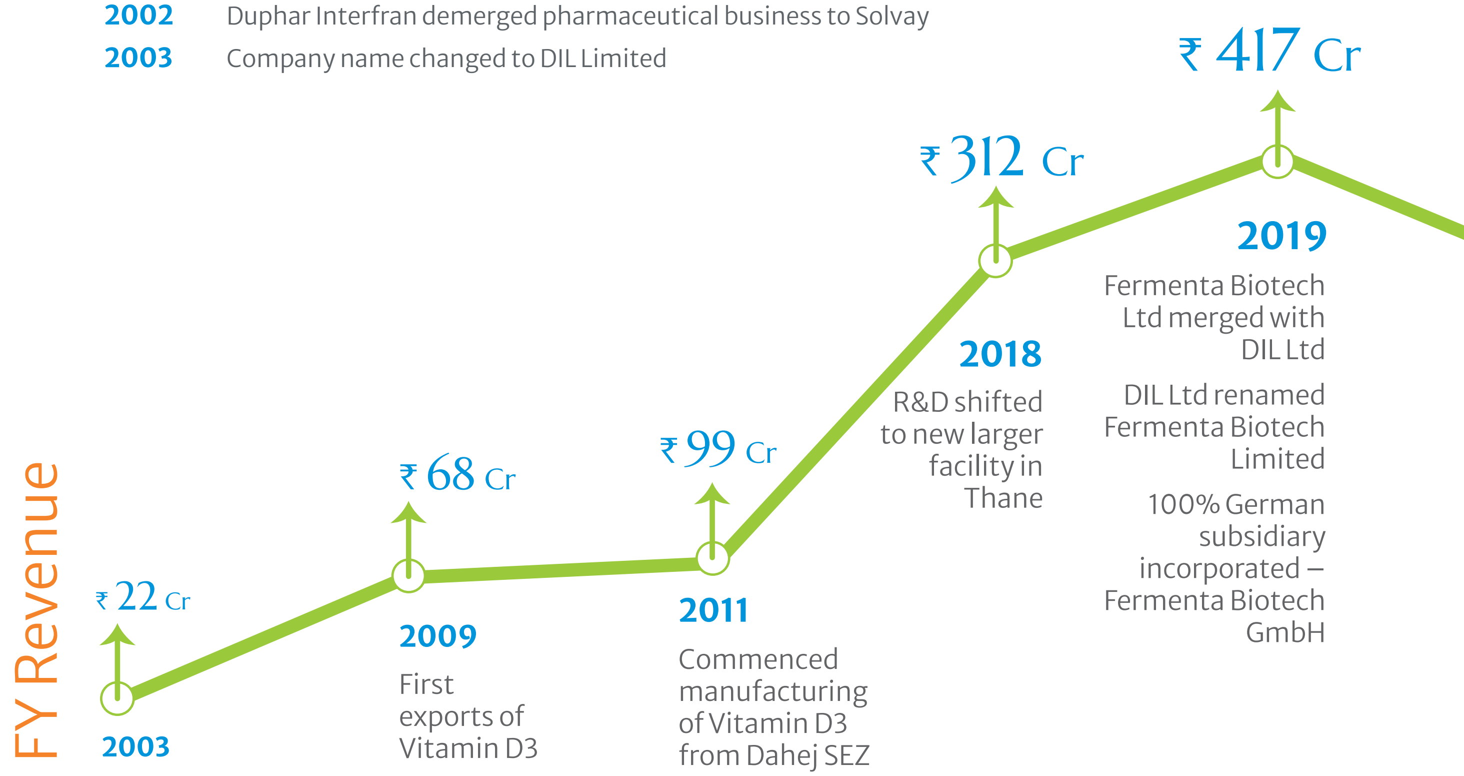
- Fortified Rice Kernels (FRK) enriched with iron, vitamin B12, and folic acid
- Compliant with FSSAI guidelines for rice fortification
- Approved by WFP

Note: Maps are not to scale.

Fermenta Growthline

1951 Founder Dr DVK Raju established International Franchises Pvt Ltd for pharmaceutical toll manufacturing

1963	Entered into a joint venture with Phillips Duphar and Crookes Laboratory UK Name changed to Crookes Interfran Ltd (CIL)
1967	Commenced Vitamin D production
1971	Phillips Duphar acquired shares of CIL from Crookes Lab UK; name changed to Duphar Interfran Ltd
1977	Duphar Interfran Ltd listed on BSE
1980	Phillips Duphar's stake acquired by Solvay
1986	Fermenta Biotech Ltd founded to manufacture enzyme catalysts
2002	Duphar Interfran demerged pharmaceutical business to Solvay
2003	Company name changed to DIL Limited



DIL increased stake in Fermenta Biotech Ltd to 96%

Consolidated all manufacturing at Kullu by expanding the facility to include Vitamin D3 and other products

Set up an R&D facility at Thane

Journey of science-validated innovation, scale, and focus across human and animal nutrition and green chemistry

RECENT

Manufacturing & technology breakthroughs
Backward integration & strategic growth
Human nutrition innovations
Plant-source Vitamin D3 & therapeutics
Biocatalysis & green chemistry
Global multi-compliances, certifications, alliances

₹ 305 Cr

2020

Backward integration of key starting material, viz, cholesterol

Acquired 52% stake in AGD Nutrition USA— renamed Fermenta USA LLC

Launch of spray dried Vitamin D3 Feed Grade 500 by Fermenta Biotech GmbH

₹ 407 Cr

2022

Commissioned FRK plant in Tirupati

₹ 347 Cr

2024

Commissioned premix plant at Kullu

Commercialized Vitamin K1 using proprietary technology

Successfully transferred plant-source Vitamin D3 technology from R&D to manufacturing

EU GMP and US FDA certifications for Dahej facility

₹ 481 Cr

2025

Completed validation batches for spray dried variant of Vitamin D3 100,000 IU/g powder for human nutrition - Vitamin D3 100 SD and started the qualification process with leading global customers and regulators

Began commercial scale production of plant-source Vitamin D3 active ingredient using technology developed in-house and completed validation batches of plant-source D3 in Oil and D3 spray dried powder variants for VITADEE Green®

Approval from GAIN and WFP , reinforcing our global commitment to quality nutrition

₹ 548 Cr

2026

Granted the Indian process patent for plant-source Vitamin D3 (VITADEE Green®)

Secured EDQM CEP for Vitamin D3 100 SD, opening European pharmaceutical markets

Board approved ₹110 crore capex for plant-source Vitamin D3, Calcifediol and biocatalysis enzymes

Scaled Green Chemistry, with Penicillin G Acylase supplying India's PLI-led penicillin revival

Carved out the Environment Division via slump sale into a dedicated subsidiary, Fermenta Environment Solutions Pvt Ltd

Strategic Alliances & International Certifications

Fermenta's credibility rests on a broad network of alliances and certifications built over decades. That dedication to quality runs the length of the nutrition and fortification value chain, letting us contribute meaningfully to health and wellness worldwide

Abbott	A global leader in nutrition, pharmaceuticals and medical devices, with a long record of advancing health
NIFTEM	**National Institute of Food Technology Entrepreneurship and Management** Set up under India's Ministry of Food Processing Industries Focused on strengthening India's food processing sector through research and innovation
Informa Markets	A leading international market-maker that connects buyers and sellers across many industries
HADSA	**Health Food and Dietary Supplements Association** An influential voice for the health and dietary supplement sectors
GAIN	**Global Alliance for Improved Nutrition** Works worldwide to improve nutrition for vulnerable populations through innovation and partnership

Extends market reach | sharpens technical capabilities
deepens industry influence | widens social impact

Credibility | Impact | Influence

Taken together, these alliances widen our market presence, deepen our technical capabilities, lift our standing in the industry, and extend our social reach across the whole nutrition and fortification value chain

The Collaboration	Strategic Value
With Abbott we run Vitamin D awareness campaigns for healthcare professionals and patients	The tie-up widens our reach, carrying trusted Vitamin D information to a larger audience and, ultimately, to public health
Alongside NIFTEM we performed studies to fortify everyday foods such as biscuits and juices	The partnership gives our fortification work government-backed credibility and underlines our push to raise nutritional standards nationwide
Through Informa Markets we exhibit and sponsor conferences, using the platform to advance Vitamin D awareness and meet industry stakeholders	It lifts our market visibility and opens valuable networking, connecting us with the nutrition sector's key players
Within HADSA we participate in the management committee and as subject matter experts in various programmes	That involvement sharpens our regulatory and industry standing in India, keeping us close to the debates shaping the future of nutrition
With GAIN we participate in the DFQT+ digital traceability solution and quality assurance for fortification. In FY26 the Kullu premix plant earned a GAIN Letter of Approval, opening the door to international fortification tenders	The partnership signals our commitment to global nutrition challenges and our forward stance on product quality

• • • across the nutrition and fortification value chain

Global Compliances

A comprehensive spread of certifications reflects our commitment to diverse customer needs and to global standards of quality, safety, sustainability and ethical production

Certifications

WHO-GMP (World Health Organization Good Manufacturing Practices)
Ensures products are made and controlled consistently against defined quality standards

NSF (National Sanitation Foundation, USA)
Confirms our processes meet rigorous safety and quality criteria

FSSC 22000 (Food Safety System Certification)
A globally recognised food-safety management standard that safeguards our food products

Intertek
Independent assurance of quality and safety across our manufacturing

BRCGS (British Retail Consortium Global Standard)
A leading global food-safety standard that holds our products to international benchmarks

HACCP (Hazard Analysis and Critical Control Points)
A systematic, preventive approach that identifies and controls food-safety risks

EDQM (European Directorate for the Quality of Medicines)
Adherence to stringent European pharmaceutical standards; CEP secured for Vitamin D3 100 SD in FY26

KLBD (Kosher Division of the London Beth Din)
Confirms ingredients and processes meet kosher dietary requirements

Halal Certification
Confirms ingredients and processes meet halal dietary requirements

AVA (American Vegetarian Association); Vegetarian Society, UK
Certified vegetarian-friendly

AVS (American Vegan Society)
Meets global vegan standards

WFP (World Food Programme)
Approved to take part in United Nations rice-fortification programmes

FDA (US Food and Drug Administration)
US regulatory clearance for food and dietary-supplement safety standards

FAMI QS (Feed Additives and Pre-Mixtures Quality System)
Covers speciality feed ingredients and premixes, assuring feed safety in animal nutrition

GAIN (Global Alliance for Improved Nutrition)
Premix Facility approval for global micronutrient premix tenders; Letter of Approval secured in FY26

RSPO (Roundtable for Sustainable Palm Oil)
Supports the responsible sourcing of palm-derived ingredients through certified sustainable supply chains

We hold to stringent global pharmaceutical and Nutritional guidelines, assuring safety and quality across every product

Community-Specific & Ethical Production

Human Nutrition Safety

We meet the standards of KLBD (Kosher London Beth Din), the Vegetarian Society and the Vegan Society, so our products suit a wide range of dietary needs

Animal Nutrition Safety

Our FAMI-QS certification assures feed safety in animal nutrition, reflecting a commitment to health across the food chain

Global Initiatives

Working with WFP and GAIN against hidden hunger, we take part in United Nations-backed rice-fortification programmes and hold approval for global micronutrient premixes, advancing our fight against malnutrition

Driving Innovation
R&D Focus, Achievements and Direction

At Fermenta, research and development is the engine behind our growth, competitiveness and market leadership

Our R&D strategy is designed to anticipate market trends, address unmet needs, and deliver differentiated products and processes that create lasting value for our customers and stakeholders

The work centres on three core areas, APIs, green chemistry and pre-formulation, each delivering breakthrough products and process gains that set us apart globally

Key Achievements

Active Pharmaceutical Ingredients (APIs)
Expanding and strengthening the portfolio

Product Pipeline: Our API team has developed key products, including high-demand molecules such as Vitamin K1, cholesterol, cholesterol from plant-source and lanolin derivatives, expanding the portfolio and meeting emerging needs in pharmaceuticals and nutraceuticals

Process Optimization: VITADEE Green® process operation improved by simplifying the process steps and minimizing hazards and sharpened the synthesis of Phenyramidol HCl, lifting operational efficiency and product quality

Yield Enhancement: Advances in process chemistry have raised yields, supporting scalability and reliable supply

Green Chemistry
Enzyme science for versatile solutions

Molecular Biology: By markedly raising the activity of key enzymes (PA 850, PS 250), our R&D has opened new efficiencies in biocatalysis

Fermentation Expertise: We have developed proprietary in-house lipases and dual-locus strains, sharpening our edge in enzyme production and a new biocatalyst product for Cal-B (Immobilized Cal-B) which expands our entry into other sectors

Pre-formulation
Customizing Nutrition for Global Needs

New Ingredient Versions: We have commercialised a range of innovative products in the vitamin-mineral supplement space, each built for targeted health outcomes and market segments

Premix Development: Our team has formulated premixes for rice, flour, oil and milk fortification, supporting public-health initiatives and industry partners

Pilot-Scale Innovation: Advanced labs and pilot-scale equipment let us simulate real-world manufacturing, enabling rapid prototyping and client-driven customisation fbl fermenta

Fermenta's R&D engine drives continuous innovation across APIs, green chemistry and pre-formulation, underpinning market leadership and opening future growth

Future Directions

VITADEE Green®: With the process patent now granted, we are scaling plant-source Vitamin D3 for clean-label, vegan and vegetarian markets in powder and oil forms

Calcifediol Commercialization: Advancing the launch of Calcifediol, a next-generation Vitamin D metabolite relevant to bone health

Lanolin Derivatives: Ongoing research targets lanolin derivatives in personal care and lubricants, opening high-value markets

New Lipase Portfolio: Preparing a new generation of lipases, including CAL-B Lipase, TL Lipase and Penicillin G Acylase and a basket of other Lipases for diverse industrial applications

API Enzyme Applications: Tailoring our enzymes for pharmaceutical APIs, improving process sustainability and selectivity

Oleochemistry & Biodiesel: Applying our enzyme assets in oleochemistry and biodiesel, supporting sustainability and market expansion

VITADEE™ SD (Spray Dried): Developing a spray-dried Vitamin D3 for pharmaceutical and nutraceutical use; EDQM CEP secured for D3 100 SD, adding global formulation flexibility

Calcifediol 1.25%: Launching a specialised concentration for advanced animal nutrition

WFP FRK Premix: Developing fortified rice-kernel solutions for WFP initiatives against global malnutrition

RUSF & RUTF Premixes: Creating ready-to-use supplementary and therapeutic food premixes for humanitarian and clinical nutrition worldwide

Driving Innovation
Strategic Outcomes

Flagship Innovations and the Markets They Shape

VITADEE Green® (Vegan Vitamin D3)

Technology

Among the world's first multi-compendial, plant-source, clean-label Vitamin D3, derived from phytosterols, with unmatched purity (40 MIU/g) and stability that outperforms current vegan alternatives

Strategic Value

Meets rising demand for vegan and vegetarian-friendly sustainable supplements, backed by decades of technical expertise and, in FY26, a granted process patent

Spray-Dried Vitamin D3 (100,000 IU/g)

Technology

A proprietary, patented process delivering pharmaceutical-grade Vitamin D3 with exceptional stability and bioavailability; European Pharmacopoeia (CEP) certificate secured in FY26, opening regulated markets

Market Impact

A global benchmark for quality and reliability, used by leading pharmaceutical and nutraceutical companies, with limited competition thanks to patent protection and technical complexity

Vitamin K1 & APIs

Portfolio Breadth

Our API team has developed key products, including Vitamin K1, cholesterol and lanolin derivatives, serving pharmaceutical, food and nutraceutical customers

Process Strength

Enhanced Phenyramidol HCl synthesis underpin quality and reliable supply

Strategic Impact and Competitive Advantage

Fermenta's R&D is not merely a source of new products; it is a strategic asset underpinning clean-label growth, pharmaceutical leadership and competitive differentiation, with higher market entry barriers that give us premium positioning and share in high-growth markets

Green Chemistry & Enzymes

Biocatalysis

In-house lipases, dual-locus strains and increase in enzyme activity, sharpening our green-chemistry edge

Market Impact

Penicillin G Acylase now poised to support India's PLI-led penicillin revival, while CAL-B Lipase opens pharmaceutical and industrial biocatalysis

Customised Premixes

Co-Development Model

Our R&D team works with customers to design and test premixes meeting precise nutritional, regulatory and sensory requirements

Technical Capabilities

Advanced instrumentation and pilot-scale blending ensure uniformity, stability and performance across dry and liquid forms

Environmental Solutions

FERMSEPT® Range

Non-GMO Bacillus consortia that secrete lipase, protease, amylase and cellulase enzymes to break down organic waste, lift MLSS and strip odour in effluent and wastewater systems

Applications

FERMSEPT®-E commissions and stabilises effluent (ETP) and anaerobic plants; FERMSEPT®-S targets municipal wastewater (WWTP) and septic-tank systems

Focused Structure

Delivered through a dedicated subsidiary, Fermenta Environment Solutions Pvt Ltd

Clean-Label & Sustainability

Vegan, plant-source and green chemistry solutions track global consumer and regulatory shifts towards cleaner, more sustainable products

Pharmaceutical Leadership

CEP-certified APIs and patented processes make us a partner of choice for global pharma leaders

Limited Competition

Flagship products and technologies shielded by patents and know-how ensure a durable competitive edge

The Human Edge

The scientific and process expertise behind our market leadership

Fermenta's edge is human. Seventy-five years of accumulated process know-how, a core of scientists and engineers, and deep expertise in complex and green chemistry are what turn molecules into market leadership. In FY26 we invested in that edge, building the capability to bring new capacity on stream and to commercialise Innovation Chemistry.

The Capabilities Behind Our Edge

Our advantage rests on four capabilities that are difficult to buy and slow to build

Capability	Why it matters to Fermenta
Scientific and R&D depth	The engine behind Vitamin D3, biocatalysis, enzymes and green chemistry; process know-how is the hardest edge for competitors to replicate
Manufacturing at scale	Bringing Dahej and new plants on stream, to spec and to economics, rests on deep operating and quality capability
Safety and compliance discipline	Non-negotiable in chemical and pharmaceutical production, and a licence to operate across regulated markets
Retaining scarce specialists	High-value scientific and process skills are hard to hire and harder to replace

Investing in the Edge

We invest deliberately in this capability: technical and leadership development that grows scientists into leaders, a safety-first culture across every site, and competitive rewards to retain scarce, high-value specialists. As we scale new capacity, building operating and quality capability ahead of demand is a priority.

Fermenta's People Development Framework

	Key Initiatives	Impact/Outcomes	FY26 Achievements
Talent Acquisition	Hiring in R&D and process chemistry Manufacturing and quality expertise Leadership strengthening	Deeper technical capability Improved operational efficiency Stronger management depth	Hired niche talent across manufacturing, engineering, R&D, quality, projects and business functions. Closed key leadership and specialist positions to support Dahej plant operations, Biotech expansion and strategic project management.
Employee Development	Technical and process training Leadership development Cross-functional skill building	Higher productivity Greater innovation capacity Stronger succession pipeline	Launched Project LEAP, Fermenta's flagship initiative to build a future-ready leadership pipeline. Recalibrated the behavioural competency framework to evolving business priorities, assessed employees through Assessment Centres and designed structured programmes to upskill functional heads and first-line managers. Continued investment in technical and functional training, industry conferences, role enrichment and Thomas PPA assessments.
Safety & Wellness	Comprehensive safety protocols Employee wellness programmes Mental-health support	Safer operations Higher engagement Stronger workplace culture	Conducted regular safety awareness initiatives, health and wellness programmes, preventive health check-ups, emergency preparedness drills and engagement activities across locations.
Performance Management	Merit-based rewards Goal-alignment frameworks Regular feedback	Better retention Higher performance standards Clearer goal achievement	Cascaded strategic organisational objectives into function-specific and individual goals across locations and levels, with SAP SuccessFactors enabling transparent and timely evaluations. Conducted structured mid-year reviews, promoted internal talent mobility, and recognised employees through role enhancements, designation renewals and merit-based compensation revisions.

Industrial Relations

We maintain harmonious industrial relations across all manufacturing facilities, with no significant labour disputes during FY26. A collaborative approach with employee representatives and regular dialogue sustains a positive, productive work environment.

Employee Composition

Our workforce is dense with scientific and technical talent: scientists and engineers driving R&D and process chemistry, manufacturing and quality specialists ensuring reliable production, and support functions across a global footprint.

This highly qualified team combines youthful energy with deep expertise in advanced manufacturing, nutritional and green chemistry, and regulatory compliance across international markets.

By qualification

Professional (CA/CS/Law/CMA)	13
PhD	3
PG (management)	25
PG (engineering)	7
PG (science)	122
PG (others)	6
Graduate (engg)	46
Graduate (science)	90
Graduate (others)	47
Diploma	23
Trade certificate	109
Others	139
Total	**630**

By age

Under 21	0
21-30	145
31-45	373
46-60	109
Over 60	3
Grand Total	**630**

Core Values

Our five core values guide every decision at Fermenta—fostering trust, innovation, and purposeful impact through continuous adaptation and collaborative growth in nutritional wellness excellence worldwide

Trust as Our Foundation	We recognize that trust, like air, is essential to our growth. We foster transparency in our operations and build authentic relationships with our team members, partners, and stakeholders
People-Driven Innovation	We value each team member as a whole person to be nurtured in an environment where scientific excellence meets personal growth. Our innovative spirit is powered by the diverse perspectives and contributions of our people as well as our multiple internal and external stakeholders
Purposeful Impact	We align our expertise in nutritional and green chemistry with meaningful goals that benefit society, ensuring our work contributes to both organizational success and global well-being
Continuous Adaptation	We embrace change and evolution, staying resilient and adaptable in our rapidly advancing field while maintaining our core commitment to excellence
Collaborative Growth	We believe in the power of collective success, fostering an inclusive environment where every voice matters and where personal and organizational values intersect to drive innovation

Social responsibility

Empowering communities and protecting our planet: Fermenta's social commitment

Sustainable impact

Uplifting vulnerable communities, preserving biodiversity, and building sustainable social infrastructure

Holistic approach

Initiatives spanning environment, animal welfare, education, healthcare, and community development

Local and collaborative

Collaborations with local organisations and authorities ensuring meaningful, longterm benefits

₹ 73.69 lakh
Total CSR spend, FY 2025-26

₹ 73.65 lakh
Prescribed obligation, 2% of average net profit

11
Projects supported across four states, fully spent

Principal CSR expenditures for the year are set out below. The complete list appears in the Annual Report on CSR Activities FY2025-26.

Environment & Animal Welfare

Sanjay Gandhi National Park

Animal adoption programme for leopards and rusty-spotted cats

Education & Training

Ankuram Foundation

Contribution towards teachers' salaries to advance rural education, provision of stationery to equip children for a brighter future, and support for a blood-donation campaign

Government Primary School Lakhigram, Gujarat

Contribution towards teachers' salaries, advancing rural education

Healthcare & Community

Save the Little Hearts — paediatric heart surgery

Funding heart surgeries for underprivileged children

Paraplegic Rehabilitation Centre, Pune

Contribution towards a training facility for armed-forces veterans, supporting rehabilitation and reintegration

Mukhyamantri Sukhashray Yojana

Advancing education for orphaned children

Gram Panchayat Takoli, Mandi

Road development to strengthen rural infrastructure and connectivity

Office of the Block Development Officer, Mandi

Rural development through infrastructure support

Others

Prime Minister's National Relief Fund

Contribution towards national relief efforts

Taken together, these initiatives reflect how Fermenta turns commitment into action: protecting the environment, widening access to education and healthcare, and strengthening the communities in which we operate.

Discussion of Financials

FY26 confirmed the turnaround established in FY25. Broad-based growth in the core business, disciplined cost management and stronger cash generation deepened the balance sheet and lifted free cash flow, while the Company kept investing in scalable, future-ready capacity.

Income Statement: Operating Leverage Sustains Profitability

Total income grew 14% year-on-year to Rs 548 crore, and 26% excluding real-estate value-unlocking, on 12% growth in revenue from operations and higher other income. Profit before exceptional items and tax rose 7% to Rs 89 crore as expenses grew broadly in line with income and finance costs fell 19% on continued deleveraging. Reported profit after tax was Rs 70 crore, 8% below FY25; the decline stems entirely from the high FY25 base, which carried Rs 45 crore of one-off real-estate value-unlocking against Rs 2 crore in FY26. Two exceptional items were present: a Rs 9 crore write-back of earlier doubtful-debt provisions and a Rs 2 crore one-off employee-benefit charge on adoption of the new Labour Codes.

(₹ Crore)

	FY26	FY25	% Change
INCOME			
Revenue from operations	525	470	▲ 12%
Other income	22	12	▲ 90%
Total Income	**548**	**481**	▲ **14%**
EXPENSES			
Cost of materials consumed	149	130	▲ 15%
Purchases of stock-in-trade	44	60	▼ 27%
Change in inventories	(1)	(31)	▲ 98%
Employee benefits expense	83	65	▲ 27%
Finance costs	12	14	▼ 19%
Depreciation and amortisation	22	24	▼ 10%
Other expenses	151	136	▲ 11%
Total Expenses	**459**	**398**	▲ **15%**
PROFITABILITY			
Profit before tax	**96**	**83**	▲ **15%**
Tax expense	26	7	▲ 276%
Profit after tax and exceptional item	**70**	**76**	▼ **8%**

Income grew 14% and profit before exceptional items and tax rose 7%, holding the consolidated margin at 22.3%. Headline PAT reflects the high FY25 real-estate base; underlying earnings strengthened, and finance costs fell 19%.

Operating leverage held as the one-off real-estate base normalised

Underlying earnings quality strengthened, with finance costs down 19%

Stronger, More Liquid Balance Sheet

Fermenta's balance sheet strengthened further in FY26. Total assets grew 5% year-on-year to Rs 648 crore, with current assets up 16%, reflecting prudent investment in inventories and receivables to support anticipated revenue growth. Gross debt was held flat at Rs 109 crore; on a stronger asset base, net debt roughly halved, keeping the capital structure healthy. Equity rose 12% to Rs 401 crore, underscoring our commitment to value creation for shareholders. Inventories grew 23% to Rs 153 crore, a deliberate build to meet growing demand and ensure supply-chain continuity.

Building Strength with Discipline

(₹ Crore)

	FY26	FY25	% Change
Assets			
Total Assets	648	614	▲ 5%
Fixed Assets (Net)	206	210	▼ 2%
Current Assets	388	335	▲ 16%
Cash & Equivalents	92	72	▲ 28%
Inventories	153	124	▲ 23%
Liabilities			
Total Equity	401	359	▲ 12%
Total Debt	109	109	▲ 0%
Current Liabilities	209	212	▼ 1%

Steady debt, a stronger cash buffer and growing equity funded future-ready growth while net leverage fell

Gross debt held flat while net debt roughly halved, enhancing balance-sheet resilience

Strong cash generation underpins operational flexibility

Healthy equity growth reflects our commitment to sustainable value creation

Discussion of Financials

Better Cash Conversion

Sharper execution drove a strong cash-flow performance. Operating cash flow more than doubled to Rs 93 crore as working-capital absorption fell sharply and profit-to-cash conversion improved. Capex stepped up to Rs 30 crore on capacity readiness at Dahej, yet free cash flow more than tripled to Rs 62 crore, providing flexibility to fund ongoing investment and innovation. Financing outflows held steady as gross debt was kept broadly flat and the dividend maintained, leaving net cash flow positive at Rs 8 crore.

(₹ Crore)

Particular		FY26	FY25
Operating Cash Flow			
Net Profit	▲	96	83
Depreciation	▼	22	24
Working Capital Changes	▲	(8)	(78)
Other Adjustments	▼	(17)	12
Operating Cash Flow	▲	93	41
Investing Cash Flow			
Capex	▼	(30)	(22)
Other Adjustments	▼	(13)	22
Investing Cash Flow	▼	(43)	(0)
Financing Cash Flow			
Equity	▼	(17)	2
Debt	▲	(5)	(36)
Dividend Paid	▼	(7)	(4)
Other Financing Cost	▲	(13)	(14)
Financing Cash Flow	▲	(42)	(51)
Net Cash Flow	▲	**8**	**(10)**
Free Cash Flow	▲	62	19

FY25 figures regrouped where necessary to conform to current-year classification

Sharper cash conversion and steady deleveraging free up resources for scalable growth.

Operating cash flow more than doubled

Free cash flow more than tripled to Rs 62 crore

Capex stepped up on capacity readiness

Steady deleveraging with efficient asset management

Net cash flow positive; reserves rebuilt

Cost Discipline Anchors Margins

The cost base held broadly stable as a share of revenue. Manufacturing expenses fell to 12% on operating leverage from higher volumes, and finance costs eased to 2% on continued deleveraging. Raw materials edged down to 37% on an improved sourcing mix. Employee, sales and administrative costs rose modestly as the business added capacity and widened market development, keeping the margin profile anchored while funding growth.

Cost Components	FY26	FY25		Key Drivers
Raw Materials	37%	38%	▲	Improved sourcing mix
Employee Cost	16%	15%	▼	Capacity expansion adds heads
Manufacturing Expenses	12%	15%	▲	Operating leverage on higher volumes
Sales & Marketing	5%	4%	▼	Wider market development push
Administrative	11%	10%	▼	Corporate cost normalisation
Finance Costs	2%	3%	▲	Continued deleveraging benefit

FY25 figures regrouped where necessary to conform to current-year classification

Manufacturing leverage and lower finance costs anchored margins, funding capacity and market growth while protecting profitability.

Manufacturing leverage offset selective cost investment

Finance costs eased on continued deleveraging

Margins protected while funding growth

In summary, FY26 confirmed the turnaround established a year earlier and broadened it into durable, cash-generative growth. Revenue grew 14%, and 26% excluding real-estate value-unlocking, while operating leverage lifted core EBITDA 44% and held the margin at 22.3%. A disciplined cost base, a stronger and more liquid balance sheet, and sharply improved cash conversion funded stepped-up investment in capacity and innovation. With gross debt held flat, net debt roughly halved and free cash flow tripled to Rs 62 crore, Fermenta is well placed to capitalise on emerging opportunities and deliver sustainable, long-term value for all our stakeholders.

Discussion of Financials

Ratios

Resilient Returns | Lower Leverage | Stronger Cover

Liquidity

Liquidity strengthened further, with the current ratio rising to 1.86 and the quick ratio to 0.99, on prudent working-capital management

	FY23	FY24	FY25		FY26
Current	1.2	1.4	1.58	▲	1.86
Quick	0.5	0.8	0.87	▲	0.99

Asset management

Asset turnover edged up to 0.83; receivables days rose to 72 and inventory turnover eased to 3.8 as stock was built ahead of demand

	FY23	FY24	FY25		FY26
Asset turnover	0.5	0.6	0.81	▲	0.83
Receivables days	67	61	64	▲	72
Inventory turnover	2.4	3.1	4.4	▼	3.8

Profitability

Profitability moderated from the FY25 peak but held well above FY23-24 levels, with EBITDA margin 23.3%, ROE 18.3% and ROA 10.1%

	FY23	FY24	FY25		FY26
Returns on Assets	-4%	-3%	13.1%	▼	10.1%
Return on Equity	-7%	-5%	23.5%	▼	16.5%
Net Profit Margin	-7%	-5%	16.3%	▼	12.1%
EBITDA Margin	7%	12%	25.9%	▼	23.3%

Leverage ratios

Debt-to-equity eased to 0.27 and debt-to-assets to 0.17, while interest cover expanded to 8.7x, a leaner and less risky structure

	FY23	FY24	FY25		FY26
Debt to equity	0.69	0.46	0.30	▼	0.27
Debt to assets	0.34	0.24	0.18	▼	0.17
Interest Coverage	(0.10)	0.86	6.86	▲	8.71

Liquidity and interest cover strengthened and leverage fell, while profitability held well above the FY23-24 reset.

Stronger liquidity and interest cover

Leaner balance sheet, lower financial risk

Profitability above the FY23-24 reset

FY26 built on the FY25 recovery and strengthened the financial foundation further. Liquidity improved, with the current ratio at 1.86 and the quick ratio at 0.99, while interest cover expanded to 8.7x and leverage eased to 0.27 debt-to-equity and 0.17 debt-to-assets. Profitability moderated from the exceptional FY25 peak but held well above FY23-24 levels, with EBITDA margin at 23.3%, ROE at 16.5% and ROA at 10.1%. Together these point to a leaner, less risky and well-capitalised platform with ample flexibility to fund future growth.

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Fermenta's Core Proposition

Our core vision

Better living for all
Through Innovation Chemistry
For a healthier, more sustainable world

Our mission

To harness our expertise in Innovation Chemistry and complex manufacturing at scale, delivering science-validated, leading-class solutions across nutrition, health and green chemistry, while creating lasting value for customers, society and investors

Society

- Advance global health and preventive care through science-validated ingredients and actives
- Support life and productivity across human and animal populations
- Address environmental challenges through green chemistry and sustainable processes

Customers

- Best-in-class, science-validated ingredients, actives and intermediates
- **Diverse market segments:** pharmaceuticals, nutrition, food and beverages, veterinary, and customised vitamin mineral premixes
- Meet the exacting standards of leading global brands across pharma, nutrition, food and animal health
- Research-based custom solutions tailored to specific needs
- A comprehensive portfolio spanning vitamins, biocatalysis and enzymes, custom premixes and green chemistry

Investors

- Leadership in Vitamin D3, including differentiated plant-source D3, protected by process patents and regulatory approvals (EDQM CEP, US FDA, EU GMP)
- **Innovation Chemistry moat:** proprietary biocatalysis and green chemistry that lower environmental footprint while improving bioavailability
- Integrated, backward-integrated model that secures key inputs and protects margins
- Diversified, high-value revenue across products, segments and geographies, reducing concentration risk
- Strong and improving returns and cash generation, with disciplined capital allocation
- Deleveraged, liquid balance sheet funding a visible growth pipeline (plant-source D3, calcifediol, biocatalysis enzymes)
- Optionality and value unlocking from non-core assets
- Deep, sticky relationships with leading global brands, underpinning durable, compounding growth

Strategy Map

Fermenta's strategy map connects our vision and mission to tangible value: Innovation Chemistry and operational excellence drive customer relationships and market expansion, delivering strong financial performance and lasting value for all stakeholders.

Financial

Financial Performance and Investor Value

Deliver consistent, industry-leading returns and cash generation
Optimise asset value and unlock capital from non-core assets
Sustain growth through disciplined organic investment and selective acquisitions
Maintain a strong, deleveraged balance sheet

Sales

Customer-Centric Approach

Target key sectors: pharma, nutrition, food and beverages, veterinary, and custom premixes
Exceed the science-validated quality standards demanded by global industry leaders
Deepen strategic relationships with premier brands across health and nutrition

Expansion

Market Expansion & Inorganic Growth

Extend global leadership in Vitamin D3, including differentiated plant-source D3
Deepen the 60-plus country footprint and open new geographies, including the EU via EDQM CEP
Pursue selective acquisitions and partnerships that expand capabilities and markets
Integrate complementary technologies to accelerate the Innovation Chemistry pipeline

Internal Process

Operational Excellence

Scale advanced, integrated manufacturing across Dahej, Kullu and Tirupati
Draw on decades of complex, high-value chemistry expertise
Drive efficiency and margins through process innovation and green chemistry

Innovation and Product Development

Deploy Innovation Chemistry and R&D to create science-validated products
Broaden the portfolio across vitamins, biocatalysis and enzymes, premixes and intermediates
Deliver targeted, research-led solutions to specific customer challenges

Sustainability and Social Responsibility

Advance global health through science-validated preventive nutrition and actives
Enhance wellbeing and productivity across human and animal populations
Lead on sustainability through green chemistry and lower-footprint processes

Organizational Learning

Capability Development

Build research and process capabilities at the frontier of Innovation Chemistry
Cultivate cross-functional expertise across sectors, geographies and technologies

accelerate growth | diversify the portfolio | strengthen global leadership

Opportunity

Unlocking Growth: Fermenta's Unique Position to Meet Evolving Health & Nutrition Demands Worldwide

India's Rising Potential

Rising awareness of preventive health, a growing middle class, and strong government health and manufacturing initiatives are driving demand for fortified and functional foods, animal nutrition, pharmaceuticals and personalised health solutions, all of which draw on Fermenta's Innovation Chemistry.

Preventive Health Awareness: Growing consumer focus on health maintenance and disease prevention

Expanding Middle Class: Rising purchasing power drives demand for premium nutrition and health products

Government Initiatives: Food fortification, public health, and Make-in-India / PLI support for domestic manufacturing

Food Fortification: Rising adoption in staple foods to address micronutrient deficiencies

Functional Food Growth: Consumer interest in foods with added health benefits

Animal Nutrition Demand: Expanding livestock and pet sectors need advanced, science-validated solutions

Pharma and API Localisation: Demand for domestically made, high-value intermediates and actives

Personalized Nutrition: Tailored products based on individual health needs

Global Market Momentum

Worldwide, the surge in nutritional supplements, ageing populations driving vitamin D demand, clean-label and pet-nutrition growth, and the shift to greener chemistry are opening new opportunities for Fermenta.

Nutritional Supplements: Growing global consumption for wellness and longevity

Ageing Populations: Rising need for vitamin D and other nutrients among the elderly

Fortified Food Markets: Expansion in regions combating 'hidden hunger'

Clean-Label Growth: Preference for simple, transparent, plant-source ingredients

Pet Nutrition Market: Rising interest in health-focused pet foods and supplements

Prevention Over Cure: Shift from treating illness to proactive health management

Green Chemistry Demand: Buyers favouring lower-footprint, sustainably produced ingredients

Hidden Hunger Focus: Addressing nutrient gaps in populations worldwide

Cross-Cutting Trends

Industry-wide shifts such as green innovation, new delivery systems, immune-health focus and greater supply-chain transparency are reshaping nutrition, health and chemistry.

Green Innovation: Shift towards sustainable, lower-footprint processes and green chemistry

Biocatalysis and Enzymes: Enzyme-led routes replacing conventional chemistry for cleaner, more efficient production

New Delivery Systems: Innovation in how nutrients and actives are delivered, improving absorption and convenience

Immune Health Focus: Elevated demand for products that support immune function

Supply-Chain Visibility: Enhanced transparency and traceability from source to shelf

Regulatory Evolution

The world is moving towards stricter, science-validated regulation and harmonised global standards, raising the bar on efficacy, quality and compliance, an advantage for players with deep regulatory credentials.

Evolving Regulations: Adapting to stricter, more dynamic rules across nutrition, health and chemistry

Global Standards: Meeting international benchmarks (EDQM CEP, US FDA, EU GMP) for quality and safety

Science-Backed Efficacy: Emphasis on clinically proven benefits and transparent labelling

Innovation at the Core

Through Innovation Chemistry, Fermenta is advancing plant-source actives, biocatalysis and green chemistry, and next-generation delivery to meet tomorrow's health and sustainability needs.

Plant-Source and Natural Actives: Clean, plant-source and organic ingredients, including plant-source Vitamin D3

Biocatalysis and Green Chemistry: Enzyme-led, lower-footprint routes to high-value molecules

Advanced Delivery: Technologies that enhance nutrient and active bioavailability

Fermenta anticipates and responds to these trends through Innovation Chemistry, creating lasting value with science-validated products, green chemistry and regulatory excellence across global markets.

Safeguarding Value Creation Through Proactive Risk Management

As Fermenta scales new capacity, broadens its export base and commercialises Innovation Chemistry, an integrated risk framework keeps the Company navigating, neutralising and thriving

Internal Control Systems and Their Adequacy

Fermenta operates a comprehensive internal control framework spanning financial reporting, operations, compliance and IT. In FY26 these controls were extended as capacity scaled at Dahej and the Company opened new export markets, and they are continuously monitored and strengthened as the business grows in scale and complexity.

Key Control Areas

Controls span financial reporting with multi-level authorisation, operations governed by WHO-GMP and international certifications, compliance monitoring across all markets, and IT and cyber security. The Audit Committee and the Board oversee their effectiveness through regular audits and statutory reviews

Control Framework Assessment

Control Area	Key Components	Monitoring Mechanism	FY26 Enhancements
Financial Controls	Multi-level authorization matrices	Quarterly Audit Committee reviews	Capex governance for the Dahej programme
	Monthly variance analysis	Monthly management reviews	Real-time financial dashboards
Operational Controls	Standard Operating Procedures	Regular internal audits	Real-time production monitoring at Dahej
	WHO-GMP/USFDA/FSSC certifications	External certification reviews	Upgraded inventory management
	Quality management systems		
Compliance Controls	Regulatory monitoring framework	Compliance audits	Regulatory tracking for new export markets
	Enterprise Risk Management	Risk assessments	Strengthened supplier audits
	Vendor due diligence	Board oversight	
IT Controls	Access control systems	System access reviews	Advanced cyber security
	Data backup procedures	Security audits	Expanded employee training
	Cybersecurity protocols	Penetration testing	

Adequacy Assessment

Drawing on quarterly internal audits, external statutory reviews and Board-level oversight, management confirms the internal control systems are adequate and operated effectively in FY26, with no material weaknesses identified.

Principal Risks and Mitigation

Fermenta's FY26 risk profile reflects a growth phase: funding and ramping new capacity, a rising export mix, and commercialising new chemistry. Each principal risk is matched to a specific, funded mitigant.

Principal Risks	FY26 exposure	Mitigation
Capex execution	Delivering and ramping the ₹110 cr Dahej programme (plant-source D3, calcifediol, biocatalysis enzymes) on time, to spec and to economics	₹62 cr free cash flow and a deleveraged balance sheet (net debt roughly halved, D/E 0.27) self-fund the build; phased commissioning
Currency and export concentration	Around 61% of revenue is exported, with Europe now close to 30% of sales	Active forex hedging; a widening geographic and product base; low customer concentration (largest 9%, top 10 at 42%)
Product concentration	Vitamin D3, in human and animal nutrition, still drives the bulk of revenue	Diversification into biocatalysis and green chemistry (up 126% to ₹16 cr), calcifediol, and patent-protected plant-source D3 (VITADEE Green®)
New-technology commercialisation	Scaling Innovation Chemistry (Penicillin G Acylase, lipases, plant-source actives) to reliable volumes and margins	In-house process R&D, patented enzyme technology, and staged launches with committed customers
Working capital	The ₹153 cr inventory build (from ₹124 cr) ahead of FY27 volumes ties up cash	Funded by ₹93 cr operating cash flow, with working-capital discipline and demand-linked planning
Regulatory	Tightening, science-led global standards and the need to certify new geographies and products	EDQM CEP for EU access, US FDA, EU GMP and WHO-GMP, plus process patents, form a credentials moat

Navigate | Neutralize | Thrive

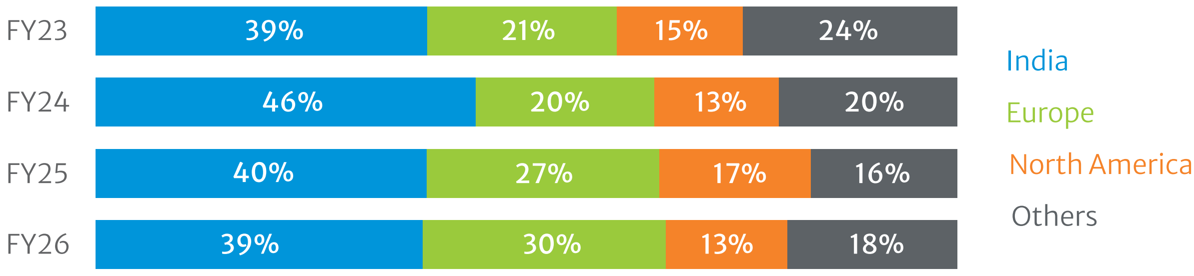
Diversified Markets, Balanced Customers

Revenue balanced across India, Europe, North America and other regions, and a widening customer base, give Fermenta a low-concentration platform for resilient, durable growth.

Geographical Revenue Mix

A strong global presence, with revenue contributions balanced across India, Europe, North America, and other regions

Excl. Value Unlocking



Customer Concentration

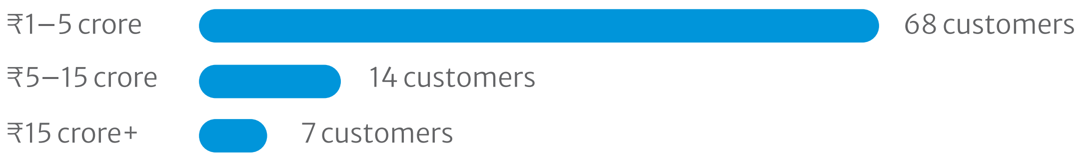
9% of revenue from the largest customer

28% from the top 5 customer

42% from the top 10 customer

The top 10 make up a moderate 42% of revenue; the remaining 58% is spread across a broad base of mid-market accounts, with only 2 customers above 5%

Customer base by revenue tier



The mid-market tier has widened from 56 to 68 accounts, deepening the base

Balanced across geographies

Europe has grown into a strong second market alongside India, with North America and other regions each contributing, so no single geography dominates

A widening customer base

The mid-market tier continues to deepen, spreading revenue across a longer tail of repeat accounts and reducing reliance on any few names

Low concentration, durable growth

Strategic large accounts anchor premium revenue without creating over-dependence, keeping the platform resilient through market cycles

BOARD'S REPORT

The Board of Directors ('**Board**') of your Company is pleased to present the 74th Annual Report along with the audited financial statements for the financial year ended on March 31, 2026 ('**FY 2025-26**').

1. FINANCIAL HIGHLIGHTS

Financial performance of the Company for FY 2025-26 is summarised below:

(₹ in Lakhs)

	Standalone results		Consolidated results	
Particulars	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Total Income	47,415.16	44,220.95	54,781.46	48,129.58
Total Expenditure	39,187.66	36,778.91	45,882.99	39,808.80
Profit/(Loss) before tax and Exceptional Items	**8,227.50**	**7,442.04**	**8,898.47**	**8,320.78**
Exceptional Items	6,96.62	-	687.58	-
Profit/(Loss) before Tax	**8,924.12**	**7,442.04**	**9,586.05**	**8,320.78**
Less: Tax expense/(income)	2,495.76	680.50	2,560.62	680.50
Profit/(Loss) for the year	**6,428.36**	**6,761.54**	**7,025.43**	**7,640.28**
Total other comprehensive income/(loss) for the year	19.45	(74.47)	(660.91)	(190.58)
Total comprehensive profit/(loss) for the year	**6,447.81**	**6,687.07**	**6,364.52**	**7,449.70**

2. FINANCIAL RESULTS AND OPERATIONS OF THE COMPANY

On a standalone basis, the Company registered a total income of ₹ 47,415.16 Lakhs for FY 2025-26 compared to a total income of ₹ 44,220.95 Lakhs for previous financial year 2024-25 ('**FY 2024-25**'). During FY 2025-26, the Company earned profit of ₹ 6,428.36 Lakhs as against the profit of ₹ 6,761.54 Lakhs in FY 2024-25.

On a consolidated basis, the Company registered a total income of ₹ 54,781.46 Lakhs for FY 2025-26 compared to a total income of ₹ 48,129.58 Lakhs for FY 2024-25. During FY 2025-26, the Company earned profit of ₹ 7,025.43 Lakhs as against the profit of ₹ 7,640.28 Lakhs in FY 2024-25.

The Board does not propose to transfer any amount to the general reserves, and the entire amount of profit for the year forms part of the 'Retained Earnings'.

3. DIVIDEND

The Board of Directors has recommended a final equity dividend of ₹ 3.75 (75%) per equity share for FY 2025-26 (Previous year ₹ 2.50 i.e. 50% per equity share) for Members' approval. The final equity dividend is subject to approval of Members at the ensuing Annual General Meeting (**'AGM'**) and deduction of tax at source, as required under the law and will result in a cash outflow of ₹ 1103.66 lakhs. The said dividend recommendation is in accordance with the Dividend Distribution Policy of the Company which is available on the website of the Company at https://fermentabiotech.com/policies.php. Other details pertaining to the Dividend are covered in the notice of AGM.

4. CONSOLIDATED FINANCIAL STATEMENTS AND SUBSIDIARY COMPANIES

The consolidated financial statements of the Company for FY 2025-26 (**'CFS'**) include financials of its subsidiaries ('**Subsidiaries**') i.e. Fermenta Biotech (UK) Limited (United Kingdom), Fermenta Biotech GmbH (Germany), Fermenta USA LLC (USA), Fermenta Biotech USA LLC (USA) and Fermenta Environment Solutions Private Limited. The CFS of the Company and its Subsidiaries are prepared in accordance with the relevant Indian Accounting Standards (Ind AS) notified under the Company (Indian Accounting Standards) Rules, 2015 and other applicable statutory provisions. The Company has investment in an associate company i.e.

Health and Wellness India Private Limited (refer note 9A of the consolidated financial statements) and the said associate company is under liquidation. Company's CFS together with Auditors' Report thereon forms part of this Annual Report.

The individual financial statements of the Company's Subsidiaries are not attached to the financial statements of the Company for FY 2025-26. The financial information of the Company's Subsidiaries provided in this Section shall be read with the information provided under the heading 'Consolidated Financial Statements' in this report. In accordance with the provisions of Sub-Section (3) of Section 129 of the Companies Act, 2013 (**'Act'**), read with Rule 5 and Rule 8 of the Companies (Accounts) Rules, 2014 (as amended from time to time), a separate statement containing salient features of the financial statements of Company's Subsidiaries/Associate in Form AOC-1 is attached to this report as **Annexure 1** and forms part of this Board's report. The audited accounts of the Company's Subsidiaries, and standalone and consolidated financial statements of the Company are available at the Company's website at https://fermentabiotech.com/annual-report.php . Members may write to the Company on ls@fermentabiotech.com for a copy of separate financial statements of Company's subsidiary(ies).

The Company has formulated a policy on identification of material subsidiaries in accordance with Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (**'Listing Regulations'**), and the same is hosted on the Company's website at https://fermentabiotech.com/policies.php. There are no material unlisted subsidiaries of the Company.

The Company has incorporated a wholly-owned subsidiary named Fermenta Environment Solutions Private Limited (**'FESPL'**) with effect from May 1, 2025 as per the Certificate of Incorporation issued by the Ministry of Corporate Affairs. Through Business Transfer Agreement dated September 30, 2025, the environment unit of the Company has been transferred to FESPL by way of a slump sale effective October 01, 2025. Other than above, no company became or ceased to be a subsidiary and/or associate of the Company during FY 2025-26.

5. MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

During FY 2025-26, the Company *inter alia* engaged in pharmaceuticals, manufacturing and marketing Active Pharmaceutical Ingredients, biotechnology, environmental solutions and renting of properties. MD&A covering details of the business of the Company is covered in this Annual Report.

6. INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT

Your Company has developed and implemented risk management policy in order to identify, analyse and address potent risks in a systematic manner. It also maintains adequate internal control systems, commensurate to its size and nature of operations. Periodical reporting(s), compliance with applicable laws and Company's procedures are duly complied with.

Defined processes and checks including risk control matrix in relation to internal financial control are in place. Company's internal team reviews various risk audit control matrixes including for capex, logistics, human resource and payroll, treasury, financial statements closure policy, inventory production, order to cash, taxation, procure to pay, on regular intervals.

The Company's finance department plays an important role in implementing and monitoring the internal control procedures and compliance with statutory requirements. The Company's internal control systems are also routinely reviewed and certified by Statutory Auditors and Internal Auditors. During FY 2025-26, the Company's Internal Auditors, M. M. Nissim & Co., Chartered Accountants (ICAI Firm Registration No: 107122W/W100672), conducted and reported the effectiveness and efficiency of internal control system including adherence to procedures as per the policies of the Company and statutory requirements as well. The Company has implemented the provisions of Regulation 21 of Listing Regulations.

The Audit Committee and the Board of Directors review the report(s) of the independent Internal Auditors at regular intervals along with the adequacy, effectiveness and observations of the Internal Auditors regarding internal control system and recommends improvements and remedial measures, wherever necessary.

7. HUMAN RESOURCES

The information required under sub-rule (1), sub-rule (2) and sub-rule (3) of rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Sub-Section (12) of Section 197 of the Act in respect of employee remuneration and other details forms part of this report and is provided as **Annexure 2**. The additional information for the above provisions of the Act will be made available to the Members upon their request.

The Company had a headcount of 630 employees as on March 31, 2026. The Company maintained cordial relations with its employees at all locations.

Employee Stock Options

The Company has 'Fermenta Biotech Limited - Employee Stock Option Plan 2019' (**'ESOP 2019'**) and Fermenta Biotech Limited - Employee Stock Option Scheme 2025' (**'ESOP 2025'**) in place. During FY 2025-26, the Company has adopted ESOP 2025 and approved limit for grant upto 5,00,000 employee stock options ('Options') exercisable into not more than the same number of equity shares of face value of ₹ 5 each, as per the approval of Members at their annual general meeting held on August 12, 2025. During the financial year 2025-26, 56,500 options were granted under aforesaid ESOP plans. There were no material changes made to ESOP 2019 and ESOP 2025 and the same are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**'SBEBSE Regulations'**). In compliance with the Regulation 13 of the SBEBSE Regulations, a certificate from Secretarial Auditor of the Company, confirming implementation of ESOP 2019 and ESOP 2025 in accordance with the said regulations will be available electronically for inspection by the Members during the AGM of the Company. Disclosures pursuant to Regulation 14 of SBEBSE Regulations are provided at Company's website https://fermentabiotech.com/investor__relations.php

Prevention of Sexual Harassment of Women at Workplace

Your Company is committed to prevent and control the sexual harassment at workplace and to provide a safe and conducive work environment to all its employees and associates. The Company treats every employee with dignity and respect, fosters to create a workplace which is safe and free from any act of sexual harassment. In accordance with the provisions of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder (**'POSH'**) as amended from time to time, the Company has formulated a code on 'Redressal of Grievances Regarding Sexual Harassment' for redressal of grievances and to protect women against any harassment and the same is uploaded on Company's website at https://fermentabiotech.com/policies.php . Internal Committees have been duly constituted for all locations of the Company in terms of POSH to ensure implementation and compliance with the provisions of the Act and the Rules.

Details of complaints with respect to the above during the year under review are:

a. Number of complaints filed during the financial year: NIL

b. Number of complaints disposed of during the financial year: NIL

c. Number of complaints pending as on the end of the financial year: NIL

d. Number of cases pending for more than ninety days: NIL

8. DIRECTORS

Directors and Key Managerial Personnel ('KMP')

During FY 2025-26: (a) Ms. Rajashri Ojha (DIN: 07058128) was re-appointed as an Independent Director for a second term for the period of 3 (three) consecutive years with effect from April 1, 2025; (b) the Members of the Company at the 73rd AGM of the Company re-appointed Ms. Anupama Datla Desai (DIN: 00217027) and Mr. Satish Varma (DIN: 00003255) as Executive Directors of the Company (Key Managerial Personnel), for a period of 3 (three) years w.e.f. September 27, 2025.

In accordance with provisions of the Act, regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, Ms. Rajeshwari Datla (DIN: 00046864) is retiring by rotation at the 74th AGM, and being eligible, has offered herself for re-appointment.

Brief profile of Director being appointed is provided along with the notes to the AGM notice which forms part of this Board's Report.

Except as mentioned above, no Director or KMP has resigned or is appointed during FY 2025-26.

Each Director of the Company has confirmed that he/she is not disqualified to act as director in terms of Section 164 of the Act.

Independent Directors

Independent Directors have made relevant declarations to the Company including confirmation(s) that the conditions of independence laid down in Sub-Section (6) of Section 149 of the Act and Regulation 16 and 25 of the Listing Regulations are duly complied. In the opinion of the Board, the Independent Directors of the Company possess necessary integrity, proficiency, expertise and experience.

Annual Performance Evaluation

Pursuant to the provisions of the Act and Regulation 17 of Listing Regulations and in accordance with the parameters suggested by the Nomination and Remuneration Policy, the Board of Directors carried out an annual evaluation for FY 2025-26, of its own performance, and that of its Committees and individual directors. The evaluation was undertaken by way of internal assessments, based on a combination of detailed questionnaires and verbal discussions. Details of the annual performance evaluation are provided in the Corporate Governance Report attached as **Annexure 3** to this report.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Sub-Section (5) of Section 134 of the Act, with respect to Directors' Responsibility Statement for the year under review, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) The directors had prepared the annual accounts on a going concern basis.

(e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report pursuant to Regulation 34 read with Schedule V of Listing Regulations and the Corporate Governance Compliance Certificate issued by Mr. Vinayak Deodhar (FCS No. 1880, COP No. 898) from V. N. Deodhar & Co., Company Secretaries, for the FY 2025-26 are provided as **Annexure 3** and **Annexure 4** respectively and form part of this report. Mandatory details including number of Board meetings, board diversity and expertise, composition of the Audit Committee and establishment of Vigil Mechanism as required under the Act are provided in the Corporate Governance Report. All mandatory recommendations made by the committee(s) were accepted by the Board of Directors. Certificate pursuant to sub regulation 8 of Regulation 17 read with Part B of Schedule II of the Listing Regulations, as referred to in the Corporate Governance Report, is provided as **Annexure 11** and forms part of this report.

11. AUDITORS

Statutory Auditors

The Company has appointed SRBC & Co. LLP, Chartered Accountants (ICAI Firm Registration No: 324982E/E300003) as the Statutory Auditors of the Company (**'SRBC'**) at its 70th AGM held on August 12, 2022 for a term of five consecutive years from the conclusion of 70th AGM till the conclusion of 75th AGM of the Company to be held in the year 2027.

SRBC has issued Auditors' Reports on the Audited Financial Statements (Standalone and Consolidated) for FY 2025-26, and there is no qualification, reservation, adverse remark or disclaimer made by SRBC in their Reports and hence, those do not call for any explanation or comments as per Section 134(3)(f) of the Act.

Auditors have not reported any fraud, offence or incident pertaining to Sub-Section (12) of Section 143 of the Act.

Secretarial Auditor

In terms of Section 204 of the Act and regulation 24A of Listing Regulations, Mr. Vinayak Deodhar (FCS No. 1880, COP No. 898) from V. N. Deodhar & Co., Company Secretaries (**'Secretarial Auditor'**), was appointed by Members of the Company at the 73rd annual general meeting held on August 12, 2025 to conduct the annual Secretarial Audit of the Company from financial year 2025-26 till financial year 2029-30 . The Secretarial Auditor has submitted the following which form part of this report:

(a) the Secretarial Audit report (annexed to this report as **Annexure 5**). There is no qualification, reservation, adverse remark or disclaimer made by the Secretarial Auditor in the report and hence, it does not call for any explanation or comments as per Section 134(3)(f)(ii) of the Act; and

(b) a certificate confirming that none of the directors on the Board of Directors of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by any statutory authority (annexed to this report as **Annexure 6**).

The Secretarial Auditor has issued Secretarial Compliance Report for FY 2025-26 under regulation 24A of Listing Regulations read with SEBI Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, which has been filed with BSE Limited within the statutory time period.

Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with rules thereunder, the Company is required to maintain the cost records and conduct cost audit in respect of applicable products manufactured by the Company for the year under review.

Joshi Apte & Associates, Cost Accountants (Firm Registration Number – 00240) (**'Cost Auditors'**) issued an unqualified cost audit report for the FY 2024-25 and the same was filed with MCA within the due date.

The Cost Auditor will conduct cost audit and issue the cost audit report for FY 2025-26 and the same will be reviewed and considered by the Board and then filed with MCA within the stipulated timelines.

On the recommendation of the Audit Committee, the Board of Directors appointed Joshi Apte & Associates, Cost Accountants (Firm Registration Number – 00240), as the Cost Auditor of the Company, for the financial year ending on March 31, 2027, to conduct the cost audit in respect of applicable products manufactured by the Company.

Pursuant to the provisions of Section 148 of the Act read with relevant rules thereunder, Members' consent is sought for payment of remuneration to the Cost Auditor for FY 2026-27, as mentioned in the Notice of 74th AGM of the Company.

12. ANNUAL RETURN

Pursuant to Sub-Section (3) of Section 92 read with clause (a) of Sub-Section (3) of Section 134 of the Act, a copy of Annual Return as on March 31, 2026, is available on the Company's website at https:// www.fermentabiotech.com/annual-returns.php

13. NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of Section 178 of the Act, the Nomination and Remuneration Policy of the Company is available on Company's website at https://fermentabiotech.com/policies.php . The salient features of the Nomination and Remuneration Policy, *inter alia*, are: (a) Objectives, (b) Matters to be recommended by the Committee to the Board, (c) Criteria for appointment of Director / KMP / Senior management, (d) Additional Criteria for Appointment of Independent Directors, (e) Appointment and Remuneration of Directors, (f) Policy on Board Diversity, (g) Appointment and remuneration of KMP / Senior management and other employees of the Company, (h) Criteria for Evaluation of Independent Director and the Board, (i) Succession planning for appointment to the Board of Directors and Senior Management, (j) Directors' and Officers' (D & O) Liability Insurance.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of any loans or guarantees provided or investments made by the Company covered under the provisions of Section 186 of the Act and Rules made thereunder during FY 2025-26 are as provided in the financial statements.

15. RELATED PARTY TRANSACTIONS

The Company has Related Party Transactions Policy (**'RPT Policy'**) in place. All related party transactions (**'RPTs'**) entered during FY 2025-26 were on an arm's length basis and in the ordinary course of business. All RPTs and subsequent material modifications thereto are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for RPTs as per the applicable provisions of the Act and Listing Regulations.

During FY 2025-26, the Company has not entered into any material related party transaction as per the thresholds mentioned in the Listing Regulations, Act and the RPT Policy. In view of this, disclosure in form AOC-2 is not applicable. The brief particulars of the Company's Policy on dealing with RPTs are covered in Corporate Governance report. The RPT policy is available on Company's website at https://fermentabiotech.com/policies.php

16. INFORMATION TECHNOLOGY ('IT')

The Company's IT team plays a crucial role to support functioning of various departments and facilities of the Company and has also contributed in successful completion of various regulatory audits. IT also ensures business continuity through data security. In this respect, the data back-up and safety procedures are in place. The Company uses industry leading IT infrastructure and software applications to ensure that the information flow is seamless, and it helps business to take timely decisions and actions. Employees are key for ensuring of information security and hence their awareness is initiated during onboarding induction training itself.

17. DEPOSITS

In FY 2025-26, your Company has not accepted any deposits under Section 73 of the Act including rules framed thereunder. There is no deposit with the Company which is not in compliance with the requirements of the Act. No principal or interest on deposit has remained unpaid or unclaimed as on March 31, 2026.

18. CREDIT RATING

During FY 2025-26, there was a revision in Company credit rating issued by CARE Ratings Limited. As on March 31, 2026, the credit rating was as mentioned below.

I. Long-term Bank Facilities: CARE BBB; Outlook: Stable (Triple B; Outlook: Stable) [Revised from CARE BBB-; Outlook: Stable (Triple B Minus; Outlook: Stable)]

II. Short-term Banking Facilities: CARE A3+, (Revised from CARE A3).

19. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per clause (m) of Sub-Section (3) of Section 134 of the Act read with relevant rules thereunder forms part of this report and is given in **Annexure 7** to this report.

20. CORPORATE SOCIAL RESPONSIBILITY ('CSR')

Implementation and monitoring of Company's CSR activities for FY 2025-26 were approved by the Board of Directors based on CSR Committee's recommendations, CSR Policy of the Company, CSR activities vis-a-vis Annual Action Plan, and amount to be spent on CSR activities. Annual report on CSR Activities of the Company for FY 2025-26 including composition of the CSR Committee is provided in **Annexure 8** that forms part of this report. The CSR Policy of the Company is available on the website of the Company at https://fermentabiotech.com/policies.php. Out of the total CSR obligation for FY 2025-26, ₹ 15,20,000/- has been transferred to Prime Minister National Relief Fund pursuant to second proviso to Sub-section (5) of Section 135 of the Act and the reason for the same is provided in the aforesaid Annual Report on CSR Activities which forms part of this report.

21. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ('BRSR')

The Company is voluntarily providing BRSR under Regulation 34 of Listing Regulations which is provided in **Annexure 9** to this report and forms part of this report.

22. CODE OF CONDUCT

In accordance with provisions of Listing Regulations, the Company has formulated a Code of Conduct applicable to the Board Members and the Senior Management Personnel. The said Code of Conduct is available on the website of the Company at https://fermentabiotech.com/policies.php All the Members of the Board of Directors and the Senior Management Personnel has affirmed annual compliance with the Code of Conduct as on March 31, 2026. The declaration signed by the Chief Executive Officer (Managing Director) confirming the same is provided as **Annexure 10** to this report and forms part of this report.

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company, inter-alia, adopted a Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Codes adopted by the Company pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 are available on the Company's website at https://fermentabiotech.com/policies.php. Mr. Varadvinayak Khambete is the Compliance Officer of the said Code of Conduct.

23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During FY 2025-26, there was no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

24. COMPLIANCE OF SECRETARIAL STANDARDS

During FY 2025-26, the Company has complied with the provisions of applicable Secretarial Standards issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government.

25. DETAILS OF SHARES IN DEMATERIALISATION (DEMAT) SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Pursuant to Regulation 34 read with Schedule V of Listing Regulations, the details of the shares in the Dematerialization Suspense Account/Unclaimed Suspense Account for FY 2025-26 are as follows:

Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year	168 number of shareholders and 50,956 Equity Shares of ₹5 each
Number of shareholders who approached the Company for transfer of shares from Suspense Account during the year	7
Number of shareholders to whom shares were transferred from Suspense Account during the year	7
Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year	161 number of shareholders and 47,652 Equity Shares of ₹ 5 each
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	47,652 Equity Shares of ₹ 5 each

26. TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The details and other information regarding unclaimed equity dividend that has been transferred to IEPF (upto FY 2017-18) are provided in the Notes Section to the Notice of 74th AGM.

27. OTHER DISCLOSURES:

During FY 2025-26:

a) There has been no change in the nature of business of the Company;

b) No application was made or any proceedings were pending under the Insolvency and Bankruptcy Code, 2016;

c) Valuation related details for FY 2025-26 in respect of one-time settlement of loan from the Banks or Financial Institutions were not applicable;

d) No shares with differential voting rights and sweat equity shares have been issued;

e) There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report;

f) The Company has complied with the provisions relating to the Maternity Benefit Act 1961.

28. ACKNOWLEDGEMENTS

The Board places on record its appreciation for the persistent support from the Members, customers, supply chain partners, distributors, bankers, regulatory bodies, business associates and other stakeholders for their continued co-operation and support to the Company.

The Board of Directors would also like to express its gratitude to all the employees of the Company who have contributed to the Company's success.

CAUTIONARY STATEMENT

Statements in this report including Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may be 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in the statements.

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Pradeep M. Chandan
Chairman
(DIN: 0200067)
May 26, 2026, Thane

Annexure 1

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture entities

PART "A": SUBSIDIARIES

1. Number of Subsidiaries: 5

(₹ In Lakhs)

Sl. No.	Particulars					
	Name of the subsidiary:	Fermenta Biotech GmbH	Fermenta Biotech (UK) Limited	Fermenta Biotech USA LLC	Fermenta USA LLC	Fermenta Environment Solutions Private Limited
1.	CIN/Other registration number of subsidiary company	HRB 158882	3308303	7989111	801040832	U37003MH2025PTC447303
2.	The date since when subsidiary was acquired	05.09.2019	10.09.2002	27.05.2020	03.12.2020	01.05.2025
3.	Provisions pursuant to which the Company has become a subsidiary (Section 2(87) (i)/ Section 2(87) (ii))	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-	-	-	-
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Euro € (Exchange Rate: Euro 1 = INR 108.99 for Assets & Liabilities, and Euro 1 = INR 102.47 for Profit and Loss account as on 31.03.2026)	Pound Sterling £ (Exchange Rate: GBP 1 = INR 125.51 for Assets & Liabilities, and GBP 1 = INR 118.44 for Profit and Loss account as on 31.03.2026)	US Dollar $ (Exchange Rate: USD 1 = INR 94.83 for Assets & Liabilities, and USD 1 = INR 88.36 for Profit and Loss account as on 31.03.2026)	US Dollar $ (Exchange Rate: USD 1 = INR 94.83 for Assets & Liabilities, and USD 1 = INR 88.36 for Profit and Loss account as on 31.03.2026)	-
6.	Share capital	831.21	183.99	1184.72	961.79	800
7.	Reserves & surplus	(3,405.80)	(146.05)	(292.74)	(2221.59)	(459.76)
8.	Total assets	3,732.43	50.34	1,988.86	927.66	2594.02
9.	Total Liabilities	6,307.02	12.40	823.07	2272.33	2253.77
10.	Investments	-	-	1,061.05	-	-
11.	Turnover	7,651.10	-	72.14	4487.97	397.05
12.	Profit before taxation	1,130.76	3.08	(31.76)	(265.30)	(422.39)
13.	Provision for taxation	64.86	-	-	-	-
14.	Profit after taxation	1,065.90	3.08	(31.76)	(265.30)	(422.39)
15.	Proposed Dividend	-	-	-	-	-
16.	% shareholding	100%	100%	100%	52% Subsidiary of Fermenta Biotech USA LLC	100%

2. **Names of subsidiaries which are yet to commence operations:** N.A.

3. **Names of subsidiaries which have been liquidated or sold during the year:** N.A.

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

4. **Number of Associate/Joint Venture : 1**

1.	Name of Associate/Joint Venture	Health and Wellness India Private Ltd.*
2.	Latest audited Balance Sheet Date	31.03.2018
3.	Date on which the Associate or Joint Venture was associated or acquired	02.02.2011
4.	Shares of Associate/Joint Ventures held by the company on the year end	
	Number	30,12,504 Equity Shares
	Amount of Investment in Associates/Joint Venture (₹ In Lakhs)	475.00
	Extent of Holding (%)	47.15%
5.	Description of how there is significant influence	-
6.	Reason why the associate/joint venture is not consolidated	Being an Associate
7.	Net worth attributable to Shareholding as per latest audited Balance Sheet	-
8.	Profit / Loss for the year (₹ In Lakhs)	-
	Considered in Consolidation (₹ In Lakhs)	-
	Not considered in Consolidation (₹ In Lakhs)	-

* The Associate company, Health and Wellness India Private Ltd., is under the process of liquidation.

5. **Names of associates or joint ventures which are yet to commence operations:** N.A.

6. **Names of associates or joint ventures which have been liquidated or sold:** N.A.

For and on behalf of the Board of Directors of

Fermenta Biotech Limited

Krishna Datla	**Prashant Nagre**	**Sumesh Gandhi**	**Varadvinayak Khambete**
Executive Vice-Chairman	Managing Director	Chief Financial Officer	Company Secretary
DIN 00003247	DIN 09165447		ACS no. A33861

Date: May 26, 2026
Place: Thane

Annexure 2

Statement of Disclosure of Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information under rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2025-26:

Sr. no.	Name	Designation	Ratio of remuneration of director to median Remuneration of employees
1.	Mr. Krishna Datla	Executive Vice-Chairman	43.42
2.	Mr. Satish Varma	Executive Director	31.64
3.	Ms. Anupama Datla Desai	Executive Director	23.97
4.	Mr. Prashant Nagre	Managing Director	33.69

2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2025-26:

Sr. no.	Name	Designation	% Increase
1.	Mr. Krishna Datla	Executive Vice-Chairman	15%
2.	Ms. Anupama Datla Desai	Executive Director	20%
3.	Mr. Satish Varma	Executive Director	17%
4.	Mr. Prashant Nagre	Managing Director	15%
5.	Mr. Sumesh Gandhi	Chief Financial Officer	9%
6.	Mr. Varadvinayak Khambete	Company Secretary	9%

3. Percentage increase in the median remuneration of employees in the financial year 2025-26: 8.67%
4. Number of permanent employees on the rolls of the Company: 630
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

% increase made in the salaries of employees other than the managerial personnel:	12%
% increase in the managerial remuneration:	15%

6. Affirmation that the remuneration is as per the remuneration policy of the Company: Yes

Information under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (FY 2025-26)

Name	Mr. Krishna Datla	Mr. Satish Varma	Ms. Anupama Datla Desai	Mr. Prashant Nagre	Mr. Sumesh Gandhi
Designation	Executive Vice-Chairman	Executive Director	Executive Director	Managing Director	Chief Financial Officer
Remuneration received (₹)	3,30,08,323	2,60,66,912	1,84,20,015	2,47,81,624	1,24,20,855
Nature of employment, whether contractual or otherwise	Contractual	Contractual	Contractual	Contractual	Contractual
Qualifications and Experience	B.Com. Over 25 years of experience	Computer Science Over 31 years of experience	Post-Graduate in Biotechnology from Mumbai University and Science Graduate from the Boston College, USA Over 20 years of experience	B.Pharm, Post Graduate Diploma in Foreign Trade, Post Graduate Diploma in International Trade, Masters in Management Science Over 36 years of experience	Chartered Accountant, Masters of Business Administration. Over 33 years of experience
Date of commencement of employment	09.05.2021 as Whole-time Director designated as Executive Vice-Chairman	27.09.2019 as Executive Director	27.09.2019 as Executive Director	09.05.2021 as Managing Director	16.02.2017 as Group Chief Financial Officer
Age (Years)	45	56	47	55	52
Last employment	-	Erstwhile Fermenta Biotech Limited	Erstwhile Fermenta Biotech Limited	Erstwhile Fermenta Biotech Limited	Morpheus Life Sciences Private Limited
% of shares held	36.04%	11.73%	8.70%	0.47%	0.05%
Whether relative of director	Relative of Ms. Rajeshwari Datla and Ms. Anupama Datla Desai	No	Relative of Ms. Rajeshwari Datla and Mr. Krishna Datla	No	No

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Pradeep M. Chandan
Chairman
(DIN: 0200067)
May 26, 2026, Thane

Annexure 3

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance

Your Company firmly believes that corporate governance is a key element in improving efficiency and growth as well as enhancing investors' confidence. Building and maintaining the trust is one of the fundamental principles of our business and ensuring good corporate governance is one of the ways and means to achieve that. Therefore, the Company constantly strives towards betterment of aspects such as transparency, professionalism, responsibility and accountability and thereby perpetuate it into generating long term economic value for its shareholders, customers, employees, other associated persons and the society at large.

Our corporate governance philosophies are continuously reinforced through the Company's Code of Conduct and Ethics, corporate governance guidelines, established practices, and committee charters. Our Board and Management processes, audits and internal control systems reflect the principles of our corporate governance framework. The Company is committed to good corporate governance including adherence to principles set out in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**Listing Regulations**'). The Board of Directors of your Company reviews corporate governance norms from time to time and recommends implementation thereof.

2. Board of Directors

a. Composition, Directorships, Committee memberships

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors including three Women Directors, out of which one is an Independent Woman Director. The composition of the Board is in conformity with provisions of Regulation 17 of the Listing Regulations read with section 149 of the Companies Act, 2013 ("Act"). The Chairman of the Board is an Independent Director. The Board of Directors confirm that the Independent Directors fulfill the conditions specified in Listing Regulations including Schedule V of Regulation 34(3) of the Listing Regulations and are independent of the management. The profiles of Directors can be accessed at https://fermentabiotech.com/about-us.php#board_members. The composition of the Board as on March 31, 2026 was as follows:

Name of Director	Category	Directorships in all other companies	Chairmanship in other Committees in all other companies*	Membership in other Committees in all other companies*	Name of other Listed entities in which the Director holds Directorship and the Category of such Directorship
Mr. Pradeep Chandan (DIN: 00200067)	Independent Director	1	NIL	NIL	NIL
Ms. Rajeshwari Datla (DIN: 00046864)	Non-Executive Director	2	NIL	NIL	NIL
Mr. Pramod Kasat (DIN: 00819790)	Independent Director	6	0	4	3#
Mr. Ramanand Mundkur (DIN: 03498212)	Independent Director	1	1	2	1$
Ms. Rajashri Ojha (DIN: 07058128)	Independent Director	2	NIL	NIL	NIL
Mr. Krishna Datla (DIN: 00003247)	Whole-time Director designated as Executive Vice-Chairman and Promoter	NIL	NIL	NIL	NIL

Name of Director	Category	Directorships in all other companies	Chairmanship in other Committees in all other companies*	Membership in other Committees in all other companies*	Name of other Listed entities in which the Director holds Directorship and the Category of such Directorship
Mr. Satish Varma (DIN: 00003255)	Executive Director and Promoter	NIL	NIL	NIL	NIL
Ms. Anupama Datla Desai (DIN: 00217027)	Executive Director and Promoter	2	NIL	NIL	NIL
Mr. Prashant Nagre (DIN: 09165447)	Managing Director	1	NIL	NIL	NIL

* Committee Memberships/ Chairmanships are reported for listed and unlisted public companies put together in terms of Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Committee Memberships include Chairmanship, if any. Committees considered for the purpose are Audit Committee and Stakeholders Relationship Committee.

Independent Director in Sai Silks (Kalamandir) Limited, Natural Capsules Limited and Advanced Enzyme Technologies Limited.

$ Independent Director in Federal Bank Ltd.

b. Disclosure of relationships between directors inter-se

Mr. Krishna Datla, Ms. Anupama Datla Desai and Ms. Rajeshwari Datla are relatives as per the provisions of Section 2(77) of the Companies Act, 2013.

c. Skills/ expertise/ core competencies identified by the Board for Company's effective functioning

Following are the skills/ expertise/ core competencies of the Board members as identified for its effective functioning in terms of Schedule V of Regulation 34(3) of the Listing Regulations:

- Business
- Finance, accounts, banking and capital market
- Legal
- Research & Development
- Real Estate
- Operations and technical
- Leadership
- Governance
- Regulatory compliance

Skills/ expertise/ core competencies available to the Board Members for effective functioning of the Company*:

Names	Core Competencies
Mr. Pradeep Chandan	Leadership, Legal, Governance
Ms. Rajeshwari Datla	Leadership, Business, Operations and technical, Governance
Mr. Pramod Kasat	Leadership, Finance, accounts, banking and capital market, Governance
Mr. Ramanand Mundkur	Leadership, Finance, accounts, banking and capital market, Legal, Governance
Ms. Rajashri Ojha	Leadership, Governance, Regulatory compliance
Mr. Krishna Datla	Leadership, Business, Operations and technical, Governance, Real Estate
Mr. Satish Varma	Leadership, Business, Operations and technical, Governance, Real Estate

Ms. Anupama Datla Desai	Leadership, Business, Operations and technical, Governance, Research & Development
Mr. Prashant Nagre	Leadership, Business, Operations and technical, Governance, Research & Development, Regulatory compliance

* As on March 31, 2026.

All the directors on the Board have the respective core competence as stated herein above.

Information regarding appointment / reappointment of Directors, as required under sub-regulation (3) of regulation 36 of the Listing Regulations and secretarial standard on general meetings specified by the Institute of Company Secretaries of India and approved by the Central Government is provided alongwith the notes to the AGM notice which forms part of this 74th Annual Report and forms parts of this Corporate Governance Report.

d. **Board Meetings / previous Annual General Meeting**

During FY 2025-26, seven Board Meetings were held on April 9, 2025, May 28, 2025, August 12, 2025, September 19, 2025, November 11, 2025, December 10, 2025 and February 9, 2026. The maximum gap between any two board meetings was less than 120 days, as stipulated under sub-regulation (2) of regulation 17 of the Listing Regulations.

Attendance at the aforesaid seven Board meetings and previous Annual General Meeting (AGM) held on August 12, 2025 is as follows:

Name	Board Meetings attended	Attendance at previous AGM
Mr. Pradeep Chandan	7	Yes
Ms. Rajeshwari Datla	7	Yes
Mr. Pramod Kasat	7	Yes
Ms. Rajashri Ojha	7	Yes
Mr. Ramanand Mundkur	7	Yes
Mr. Krishna Datla	7	Yes
Mr. Satish Varma	7	Yes
Ms. Anupama Datla Desai	7	Yes
Mr. Prashant Nagre	7	Yes

3. Audit Committee

a. Meetings, Composition and Attendance:

During FY 2025-26, seven meetings were held on April 8, 2025, May 28, 2025, August 12, 2025, September 19, 2025, November 11, 2025, December 10, 2025 and February 9, 2026. The representatives of the Auditor(s), and Chief Financial Officer also attended the Audit Committee meeting(s) as required.

The composition of the Audit Committee as on March 31, 2026 and the attendance of the Audit Committee members at the Committee meetings held during FY 2025-26 is as follows:

Name of the Director	Designation	Meetings attended
Mr. Pramod Kasat	Chairman	7
Mr. Ramanand Mundkur	Member	7
Ms. Rajashri Ojha	Member	7
Mr. Prashant Nagre	Member	7

The composition of the Audit Committee complies with the requirements laid down in Regulation 18 of the Listing Regulations. Mr. Pramod Kasat and Mr. Ramanand Mundkur possess expertise in accounting and financial management. The Company Secretary acts as Secretary to the Audit Committee.

b. Terms of reference:

The powers, role and functions of the Audit Committee are as per the provisions of Section 177 of the Companies Act, 2013 and sub regulation (3) of regulation 18 read with Schedule II (Part C) of the Listing Regulations, which, *inter-alia*, include the following:

1. Review company's financial reporting process and accounting policies and practices.
2. Review and recommend to the Board, appointment, re-appointment and removal of Statutory and Internal Auditors and fixation of auditors remuneration and other fees, including terms of appointment.
3. Review with management of quarterly, half-yearly and annual financial statements and auditors' report before submission to Board for approval with particular reference to:
   a. Director's Responsibility Statement as per clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
   b. changes, if any, in accounting policies and practices and reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgment by management;
   d. significant adjustments made in the financial statements arising out of audit findings;
   e. compliance with listing and other legal requirements relating to financial statements;
   f. disclosure of any related party transactions;
   g. modified opinion(s) in the draft audit report;
4. Review: (a) adequacy of internal control systems (including internal financial controls) and risk management systems; (b) the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit; (c) reports and significant findings, if any, of the Internal and Statutory Auditor and to ensure that suitable follow-up action is taken; (d) findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board; (e) and monitor the auditor's independence and performance, and effectiveness of audit process; (f) with the management, performance of statutory and internal auditors, adequacy of the internal control systems; (g) financial statements of subsidiary companies, joint venture and associate companies; (h) substantial defaults in payments to stakeholders and creditors;(i) functioning of the Vigil mechanism;
5. Discussion with Statutory Auditors and Internal Auditors about nature and scope of audit and areas of concern; and discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern;
6. Examination of disclosure aspects of related party transactions and approval or any subsequent modification of transactions of the Company with related parties;
7. Other functions like Scrutiny of inter-corporate loans and investments; valuation of undertakings or assets wherever necessary;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Approval of appointment of Chief Financial Officer;
10. Any other functions as may be statutorily required.

4. Nomination and Remuneration Committee

a. Meetings, Composition and Attendance:

During FY 2025-26, two Committee meetings were held on May 28, 2025, and January 7, 2026.

The Composition of the said Committee as on March 31, 2026 and the attendance of the Committee members in its meeting held FY 2025-26 is as follows:

Name of the Director	Designation	Meetings attended
Mr. Pramod Kasat	Chairman	2
Ms. Rajeshwari Datla	Member	2
Ms. Rajashri Ojha	Member	2

The composition of the Nomination and Remuneration Committee complies with the requirements laid down in Regulation 19 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.

b. Terms of reference:

The terms of reference include:

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment and removal.
2. Carry out evaluation of every director's performance.
3. Devising a policy on diversity of Board of Directors.
4. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
5. Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel (KMP) and other employees.
6. Recommend whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Any other terms of reference, role, responsibility and powers as may be prescribed from time to time (i) under the Companies Act, 2013 and rules made thereunder and the Listing Regulations; and/or (ii) by the Board of Directors of the Company.

c. Nomination and Remuneration Policy and performance evaluation of Board and individual Directors:

As per the Nomination and Remuneration Policy of the Company ('Remuneration Policy'), Director(s), KMP, Senior Management personnel in addition to the criteria mentioned in the Act and Listing Regulations should, *inter-alia*, possess (a) relevant qualification, experience and expertise; (b) strong analytical and excellent communication skills; (c) collaborative and flexible style, with a high level of professionalism; and (d) leadership skills.

Performance evaluation criteria for Independent Directors is as per Remuneration Policy which is available at Company's website at https://fermentabiotech.com/policies.php

d. Annual performance evaluation of the Board, its Committees and individual Directors

Pursuant to provisions of the Act, Listing Regulations and Remuneration Policy, Directors of the Company carried out annual performance evaluation of the Board as a whole, Committees of the Board and individual Directors (excluding the Director being evaluated).

A meeting of Independent Directors of the Company was held to: (a) review the performance of Chairperson, Non-Independent Directors and the Board as a whole; (b) assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

The evaluation was done through a structured process and forms, covering various aspects such as composition of Board, professional knowledge and expertise, performance of individual roles and duties including contribution in Board / Committee meetings, protection of interest of all stakeholders, etc.

5. Details of remuneration of Directors for the financial year ended March 31, 2026:

Name of Director	Sitting Fees * (Rs)	Salary (Rs)	Contribution to PF and other funds (Rs)	Benefits & Perquisites (Rs)	Total (Rs)	No. of shares held (FV of ₹ 5)
Nature	**Fixed (per meeting)**	**Fixed**	**Fixed**	**Variable**	**-**	**-**
Mr. Pradeep Chandan (Independent Director)	7,40,000	-	-	-	7,40,000	NIL
Ms. Rajeshwari Datla (Non-Executive Director)	7,30,000	-	-	-	7,30,000	NIL
Mr. Ramanand Mudkur (Independent Director)	11,60,000	-	-	-	11,60,000	NIL
Mr. Krishna Datla ** (Executive Vice-Chairman)+	-	2,72,60,520	33,12,191	24,35,612	3,30,08,323	1,06,06,043
Mr. Satish Varma*** (Executive Director)+	-	1,97,88,214	25,85,221	36,93,477	2,60,66,912	34,53,325
Ms. Anupama Datla Desai*** (Executive Director) +	-	1,49,75,859	19,83,397	14,60,759	1,84,20,015	25,61,265
Mr. Rajashri Ojha (Independent Director)	10,80,000	-	-	-	10,80,000	NIL
Mr. Prashant Nagre**** (Managing Director) +	-	2,20,15,307	14,32,365	13,33,952	2,47,81,624	1,39,410
Mr. Pramod Kasat (Independent Director)	12,10,000	-	-	-	12,10,000	25,000
TOTAL	**49,20,000**	**8,40,39,900**	**93,13,174**	**89,23,800**	**10,71,96,874**	**1,67,85,043**

Note: The above remuneration does not include Commission payable to Managing Director, Executive Directors & Executive Vice-Chairman for the F.Y 2025-26, if any.

* Sitting Fees include fees for – Board, Audit Committee and other Committee Meetings @ ₹ 1,00,000; ₹ 50,000 and ₹ 10,000 per meeting respectively (sitting fee for Risk Management Committee is waived).

** The agreement between the Company and the Executive Vice-Chairman is for a period of three years effective May 9, 2024 with a loss of office provision. Either party is entitled to terminate the said agreement by giving not less than three months' notice in writing to the other party or such other period as may be mutually decided.

*** The agreement between the Company and the Executive Directors is for a period of three years effective September 27, 2025 with a loss of office provision. Either party is entitled to terminate the said agreement by giving not less than three months' notice in writing to the other party or such other period as may be mutually decided.

**** The agreement between the Company and the Managing Director is for a period of three years effective May 9, 2024 with a loss of office provision. Either party is entitled to terminate the said agreement by giving not less than three months' notice in writing to the other party or such other period as may be mutually decided.

+ The remuneration details include the benefits and perquisites paid to the Managing Director, Executive Directors and Executive Vice-Chairman for FY 2025-26.

The Company has not granted any stock options to any Director during FY 2026. ESOP related disclosure is available at the Company's website at https://fermentabiotech.com/esop-disclosure.php

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive / Independent Directors during the year under review, except as stated above.

Non-Executive Directors receive sitting fees for attending the meetings of Board of Directors and its Committees. Criteria of making payments to Non-Executive Directors is as mentioned in Remuneration Policy which is available to Company's website at https://fermentabiotech.com/policies.php

6. Stakeholders Relationship Committee

(a) Meetings, Composition and Attendance:

During FY 2025-26, four Stakeholders Relationship Committee meetings were held on May 28, 2025, August 12, 2025, November 11, 2025 and February 9, 2026.

The composition of the Committee as on March 31, 2026, and the attendance of the Committee members in its meeting held FY 2025-26 is as follows:

Name of the Director	Designation	Meetings attended
Mr. Pradeep Chandan	Chairman	4
Mr. Pramod Kasat	Member	4
Mr. Krishna Datla	Member	4
Mr. Satish Varma	Member	4

The composition of the Stakeholders Relationship Committee complies with the requirements laid down in Regulation 20 of the Listing Regulations. The Company Secretary acts as a Secretary to Stakeholders Relationship Committee.

(b) Terms of Reference:

The Committee, inter-alia, deals in matters relating to:

1. Redressal of Members' grievances.
2. Issue of duplicate Share Certificates.
3. Review of Dematerialized shares.
4. Transfer and Transmission of shares.
5. Non-receipt of Annual Reports and declared dividends.
6. Other matters related to shares and/or investor grievances.
7. Any other matter as may be statutorily required including under Schedule II Part D of Listing Regulations.

(c) Shareholder Information

Name and designation of Compliance Officer: Mr. Varadvinayak Khambete - Company Secretary and Head – Legal

Investor Helpdesk:

Mr. Varadvinayak Khambete
Fermenta Biotech Limited, A -1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade, Thane (West) – 400 610, Maharashtra, India
Tel No.: 022-67980800
e-mail: ls@fermentabiotech.com

(d) Shareholders' Complaints and their redressal

(i) number of shareholders' complaints received during the financial year: 3

(ii) number of complaints not solved to the satisfaction of shareholders: NIL

(iii) number of pending complaints as on March 31, 2026: NIL

7. Risk Management Committee:

(a) Meetings, Composition and Attendance:

During FY 2025-26, one Risk Management Committee meeting was held on September 19, 2025.

The composition of the Committee as on March 31, 2026 and the attendance of the Committee members in its meeting held FY 2025-26 is as follows:

Name of the Director	Designation	Meetings attended
Ms. Rajashri Ojha	Chairperson	1
Mr. Satish Varma	Member	1
Ms. Anupama Datla Desai	Member	1
Mr. Prashant Nagre	Member	1

The composition of the Committee complies with the requirements laid down in Regulation 21 of the Listing Regulations. The Company Secretary acts as a Secretary to RMC.

(b) Terms of Reference:

RMC, *inter-alia,* deals in matters relating to:

1. RMC shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
2. RMC shall formulate a detailed Risk Management Policy which shall include:
    a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    b. Measures for risk mitigation including systems and processes for internal control of identified risks.
    c. Business continuity plan.
3. RMC shall ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
4. RMC shall monitor and oversee implementation of the Policy, including evaluating the adequacy of risk management systems.
5. RMC shall periodically review the Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
6. RMC shall keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
7. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by RMC.
8. RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of directors.
9. RMC shall fulfil such responsibilities as may be entrusted to it by the Board from time to time.

    No sitting fees is paid to the RMC members for attending RMC meetings.

8. Senior Management

Particulars of Senior Management including the changes therein during the FY 2025-26:

Sr. No.	Name	Designation	Details of change
1.	Mr. Krishna Datla	Executive Vice-Chairman	-
2.	Ms. Anupama Datla Desai	Executive Director	-
3.	Mr. Prashant Nagre	Managing Director	-
4.	Mr. Satish Varma	Executive Director	-
5.	Mr. Prashant Gudhate	President - Corporate Quality Assurance & Regulatory Affairs	-

6.	Mr. Sahil Desai	Vice President – Business Development & Marketing	–
7.	Mr. Sumesh Gandhi	President	–
8.	Mr. Jagdish Tamore	President – Research & Development	–
9.	Mr. Uddhav Deshmukh	President – Manufacturing	–
10.	Mr. Suryanarayana Raju Alluri	General Manager – Finance	–
11.	Mr. Raveendranath V. K.	Vice President – Human Resources & Administration	–
12.	Mr. Salil Pathare	SBU Head – Environmental Division	Refer note below
13.	Mr. Satish Mankame	Senior General Manager – Procurement	Refer note below
14.	Mr. Arun Khedwal	Senior General Manager – Planning & Key Account Management	–
15.	Mr. Varadvinayak Khambete	Company Secretary & Head – Legal	–

Note: Pursuant to the transfer of services of employees of Company's environment division to its Wholly-Owned Subsidiary, Fermenta Environment Solutions Private Limited, service of Mr. Salil Pathare has been transferred w.e.f. October 01, 2025. Mr. Satish Mankame ceased to be in employment w.e.f. December 16, 2025.

9. General Body Meetings

a. Details of the last three Annual General Meetings of the Company and Special Resolution(s) passed are as follows:

Year	Date and Time	Venue	Special Resolution(s) passed
FY 2022-23	September 29, 2023 at 3.00 P.M.	VC/OAVM*	Nil
FY 2023-24	August 12, 2024 at 3.00 P.M.	VC/OAVM*	1) To approve the continuation of Ms. Rajeshwari Datla (DIN: 00046864) as a Non-Executive Director on the Board of Directors of the Company after attaining 75 years.
FY 2024-25	August 12, 2025 at 3.00 p.m.	VC/OAVM*	1) To re-appoint Mr. Satish Varma as an Executive Director of the Company for a period of 3 years w.e.f. September 27, 2025. 2) To re-appoint Ms. Anupama Datla Desai as an Executive Director of the Company for a period of 3 years w.e.f. September 27, 2025. 3) To approve 'Fermenta Biotech Limited – Employee Stock Option Scheme 2025'. 4) To consider and approve grant of Options to the employees of the subsidiary company of the Company under 'Fermenta Biotech Limited – Employee Stock Option Scheme 2025'. 5) To approve secondary acquisition of shares through Trust route for the implementation of 'Fermenta Biotech Limited – Employee Stock Option Scheme 2025'.
			6) To approve provision of money by the Company for purchase of its own shares by the Trust under 'Fermenta Biotech Limited – Employee Stock Option Scheme 2025'. 7) Commission to Non-Executive Directors.

*Meeting held through Video Conferencing/Other Audio Visual Means

b. Whether any special resolution passed last year (FY 2025-26) through postal ballot –details of voting pattern: Yes

Sr. No.	Description of Resolution	Percentage of votes in favour of the resolution	Percentage of votes against the resolution
1	Approval for Material Related Party Transactions.	99.94%	0.06%

c. Person who conducted the postal ballot exercise – Mr. V. N. Deodhar, Practising Company Secretary (FCS –1880)

d. Whether any special resolution is proposed to be conducted through postal ballot – No.

e. Procedure for postal ballot – Procedure stipulated under Companies Act, 2013 and Listing Regulations shall be applicable for postal ballot activity undertaken by the Company.

10. Policies

a. Vigil Mechanism Policy

The Company has adopted a Whistle Blower Policy as part of Vigil Mechanism for Directors and employees to report instances of unethical acts, actual or suspected fraud or violation of Company's Code or other similar genuine concerns or grievances. The Vigil Mechanism Policy is displayed on the Company's website at https://fermentabiotech.com/policies.php. The Board affirms that no personnel has been denied access to the chairperson / members of audit committee.

b. Policy on dealing with Related Party Transactions ('RPT Policy')

The RPT Policy of the Company, *inter-alia*, lays down the process to be adopted by the Company for: (a) identification of potential Related Party/ies; (b) materiality thresholds for related party transactions; (c) manner of dealing with and approving the transactions between the Company and its related parties. The RPT Policy also lays down the disclosure requirements of related party transactions, if any and the criteria for determining ordinary course of business and arm's length transactions. The RPT Policy is available at the Company's website at https://fermentabiotech.com/policies.php

Except as otherwise provided in this Annual report, none of the Directors has any pecuniary relationships or transactions with the Company.

c. Policy for Determining Material Subsidiary

The Company has adopted a policy for determining material subsidiary as required by the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy is uploaded on the website of the Company and can be viewed at https://fermentabiotech.com/policies.php

d. Familiarisation Programme for Independent Directors

The Company has adopted 'Familiarization Programme' for Independent Directors to ensure that the Independent Directors are familiarized with the Company's business operations, strategies, business model, nature of industry in which Company operates and role, duties and responsibilities of an Independent Director of the Company. The details of Familiarisation Programme are available at https://fermentabiotech.com/policies.php

e. Various policies adopted by the Company are available at https://fermentabiotech.com/policies.php

11. Disclosures

a. During FY 2025-26, the risk management reports were placed before the Audit Committee and Board of Directors for review.

b. Pursuant to sub regulation 8 of Regulation 17 read with Part B of Schedule II of the Listing Regulations, Managing Director and Chief Financial Officer have submitted a certificate to the Board of Directors for the financial year ended March 31, 2026. The Certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors and the same is provided as Annexure 11 to the Board's Report.

c. Reconciliation of Share Capital Audit: Share Capital Audit for the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital of the Company has been done by a Practising Company Secretary on a quarterly basis and the Reconciliation of Share Capital Audit Reports were issued thereon during the year under review. The audit confirms that the total issued / paid–up capital agrees with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

12. Means of Communication

a. **Quarterly results:** The quarterly, half yearly and annual results are approved by the Audit Committee and the Board of Directors of the Company within the prescribed time limit. The approved results are forthwith uploaded on the website of BSE Limited in prescribed format where the Company's shares are listed.

b. **Newspapers wherein quarterly results are normally published:** Business Standard (English) and Sakal (Marathi).

c. **Any website, where displayed:** BSE website (www.bseindia.com) and the Company's website (www.fermentabiotech.com)

d. **Online filing with BSE Corporate Compliance & Listing Centre:** All periodical compliances of the Company as per Listing Regulations are also being filed online with BSE Listing Centre.

e. **SEBI Complaints Redress System (SCORES):** The investor complaints, if any, can be uploaded on the SCORES platform. These complaints are processed in a centralized web-based complaints redress system of SEBI (SCORES). The salient features of this system is the centralised database of all complaints, online upload of Action Taken Reports (ATRs) and online viewing by investors of actions taken on the complaint and its current status.

f. **Whether it also displays official news releases:** Yes

g. **Presentations made to institutional investors or to analysts:** Yes, the same are also uploaded on BSE website (www.bseindia.com) and the Company's website (www.fermentabiotech.com) as per statutory requirements.

h. **Management Discussion and Analysis Report (MD&A) is a part of the Annual Report or not:** MD&A Report forms part of the Annual Report.

13. General shareholder information

a. **Annual general meeting - date, time and venue:** August 11, 2026 at 15:00 hours (IST) through Video Conferencing or Other Audio-Visual Means, without the physical presence of the members at a common venue. The venue of the AGM shall be deemed to be A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) - 400 610, Maharashtra.

b. **Financial Year:** April 1 to March 31.

Tentative calendar of Board meetings for consideration of financial results is as under:

- for the quarter ending June 30, 2026 - By August 14, 2026;
- for the quarter ending September 30, 2026 - By November 14, 2026;
- for the quarter ending December 31, 2026 - By February 14, 2027;
- for the year ending March 31, 2027 (Audited) - By May 30, 2027.

c. **Dividend Payment Date:** By August 21, 2026.

d. **The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):** The Company's equity shares are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Tel: +91 22 22721233/34, Fax: +91 22 22721919 Email: corp.comm@bseindia.com. Listing fee for the year 2026-27 has been paid.

e. **In case the securities are suspended from trading, the directors report shall explain the reason thereof:** Not Applicable.

f. **Registrar to an issue and share transfer agents:** MUFG Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, Maharashtra, India, Tel No.: +91 22 49186000, Fax No: +91 22 49186060, Email : rnt.helpdesk@in.mpms.mufg.com.

g. Share Transfer System: The Board has delegated the authority for approving transfer, transmission of shares etc. to the Stakeholders Relationship Committee. Transfer of shares in electronic form are processed and approved by NSDL/CDSL through their Depository Participant(s), without involvement of the Company.

Regulation 40 of Listing Regulations mandates that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository and transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. SEBI vide its master circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, has mandated listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition etc. Details regarding the above as well as details pertaining to opening of a special window for re-lodgement of transfer deeds and dematerialisation of physical securities are provided in Notes to the AGM Notice, which the Members are requested to refer.

SEBI vide its Circular HO/38/13/(3)2026-MIRSDPOD/I/3763/2026 dated January 30, 2026, has dispensed with the requirement of issuance of Letter of Confirmation ('LOC') and accordingly securities shall be credited directly to the Members demat account by the Company/RTA, subject to due diligence. Any LOC issued prior to April 2, 2026, date may be submitted for dematerialisation within 120 days from its date of issuance.

h. Distribution of shareholding as on March 31, 2026:

Sr. No.	Range in no. of Shares	Holding (no. of shares)	Amount (₹)	% to Total Amount	No. of Holders	% to Total Holders
1	1 - 500	1205731	6028655	4.09	11384	81.4597
2	501 - 1000	1017597	5087985	3.45	1357	9.7102
3	1001 - 2000	931870	4659350	3.16	637	4.5581
4	2001 - 3000	521889	2609445	1.77	206	1.4741
5	3001 - 4000	361261	1806305	1.22	102	0.7299
6	4001 - 5000	317630	1588150	1.07	68	0.4866
7	5001 -10000	840990	4204950	2.85	113	0.8086
8	10001 and above	24234019	121170095	82.34	108	0.7728
	Total	**2,94,30,987**	**14,71,54,935**	**100**	**13975**	**100**

i. Equity Shareholding Pattern as on March 31, 2026

Category	Shareholding (no. of shares)	% of holding
Promoters	16620633	56.4732
Foreign Promoters	2240376	7.6123
Clearing Members	19179	0.0652
Other Bodies Corporate	308023	1.0466
Hindu Undivided Family	260620	0.8855
Nationalised Banks	120	0.0004
Non Resident Indians	73262	0.2489
Non Resident (Non Repatriable)	178451	0.6063
Public	8474855	28.7957
Directors and their relatives (excluding independent Directors and nominee Directors)	139410	0.4737

Category	Shareholding (no. of shares)	% of holding
Independent Director	5000	0.017
Key Managerial Personnel	17571	0.0597
Employee Welfare Trust / ESOP's	760299	2.5833
Body Corporate – Ltd Liability Partnership	19475	0.0662
Investor Education And Protection Fund	178344	0.606
Trusts	80000	0.2718
FPI (Corporate) – I	7298	0.0248
Mutual Funds	419	0.0014
Unclaimed Shares	47652	0.1619
TOTAL	**2,94,30,987**	**100**

j. **Dematerialisation of Shares and liquidity:** The Company and MUFG Intime India Private Limited, has signed Tripartite Agreements with the National Securities Depository Ltd. and the Central Depository Services (India) Ltd. respectively. The shares of the Company are compulsorily traded in the dematerialised form in the Stock Exchange. As on March 31, 2026, 99.35% of the equity shares of the Company have been dematerialized. The Company's Equity Shares are liquid and actively traded on the stock exchange.

k. **Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:** Not applicable.

l. **Commodity price risk or foreign exchange risk and hedging activities:** The Company does not have any significant exposure on commodities directly. Currency risks arises mainly where receivable, payables and borrowings exist due to foreign currency transactions. Around 55.12% of the Company's income is by way of exports and it enjoys natural hedge to a large extent. The exposure to currency risk is explained in detail in the notes to the financial statements.

m. **Plant locations:**

- Village Takoli, P.O. Nagwain, District Mandi – 175121, Himachal Pradesh, India.
- Z – 109 B & C, SEZ II, Dahej, Taluka – Vagara, District Bharuch – 392130, Gujarat, India.
- FRK Plant, Sy. No. 3/A, Pennepalli (V), Pellakuru Mandal, District Tirupati – 524126, Andhra Pradesh, India.

n. **Address for Correspondence:**

MUFG Intime India Private Limited
C 101, 247 Park
L B S Marg, Vikhroli West,
Mumbai – 400 083
Maharashtra, India.
Tel No.: +91 22 49186000
Fax No.: +91 22 49186060
Email : rnt.helpdesk@in.mpms.mufg.com

Fermenta Biotech Limited
A -1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade,
Thane (West) – 400 610
Maharashtra, India.
ISIN: INE225B01021
Tel No.: + 91 22 66230800
Email:ls@fermentabiotech.com

o. **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.**

The details of Credit Rating obtained from CARE and revisions thereto during FY 2025-26 are as follows:

Date of credit rating letter	Facilities/Instruments	Amount (₹ Crore)	Rating	Rating Action
October 1, 2025	Long-term Bank Facilities	118.94 (Reduced from 128.17)	CARE BBB; Stable	Upgraded from CARE BBB-; Stable
	Short-term Bank Facilities	6.25	CARE A3+ (A Three)	Upgraded from CARE A3

The details on credit ratings are provided in the Directors Report and are also available on the website of the Company in the Investor Relations section and can be accessed at https://fermentabiotech.com/credit_rating.php .

14. Other Disclosures:

a. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:** During FY 2025-26, there were no materially significant related party transactions entered by the Company which may have a potential conflict with the interest of the Company at large.

b. **Details of non-compliance by the Company and penalties or strictures were imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets during the last three years:** NIL

c. **Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:** As stated under heading 'Policies' in this report.

d. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:** The Company has complied with all the mandatory requirements, as applicable in terms of Schedule V of the Listing Regulations. Discretionary requirements as provided in Schedule II, Part E (A), (C), (D),(E),(G) of Listing Regulations have been adopted, and discretionary requirements as provided in Schedule II, Part E (B),(F) of Listing Regulations have not been adopted by the Company.

e. **Web link where policy for determining 'material' subsidiaries is disclosed:** As stated under heading 'Policies' in this report.

f. **Web link where policy on dealing with related party transactions:** As stated under heading 'Policies' in this report.

g. **Disclosure of commodity price risks and commodity hedging activities:** As stated under heading 'General shareholder information' in this report.

h. **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not applicable.

i. **A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:** Annexure 6.

j. **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:** Nil

k. **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** 79.46 Lakhs.

l. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** Provided in Board's Report.

m. **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Outstanding amount of loan given to Fermenta Biotech USA LLC (Wholly-owned subsidiary):** US$ 8,50,000 (INR 8,06,07,625). Mr. Prashant Nagre, Managing Director, and Mr. Satish Varma, Executive Director are Managers in Fermenta Biotech USA LLC. Outstanding loan given to Wholly-owned Subsidiary-Fermenta Environment Solutions Private Limited ('FESPL'):INR 14,00,00,000. Mr. Prashant Nagre, Managing Director is a Director in FESPL.

n. **Disclosure of agreements binding listed Company under Regulation 5A of Listing Regulations**: Nil

o. **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:** NIL

15. During the year under review, there were no instances of Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Part C of Schedule V to the Listing Regulations.

16. During the year under review, the Company is in compliance of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

17. Compliance Certificate regarding the compliance with corporate governance requirements is annexed to Board's Report as **Annexure 4.**

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Pradeep M. Chandan
Chairman
(DIN: 0200067)
May 26, 2026, Thane

Annexure 4

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the Members of
Fermenta Biotech Limited

We have examined the compliance of conditions of Corporate Governance by Fermenta Biotech Limited (the Company) for the year ended March 31, 2026, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility:

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility:

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion:

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

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **V.N.DEODHAR & CO.,**
COMPANY SECRETARIES

V.N.DEODHAR
PROP.
FCS NO.1880
C.P. No. 898
PR No.: 6464/2025
FRN No: S1986MH002900

UDIN: F001880H000484439
Place : Mumbai
Date : 26th May, 2026

Annexure 5

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,
The Members,
Fermenta Biotech Ltd.,
A-1501, Thane One,
DIL Complex,
Ghodbunder Road, Majiwada,
Thane (W) - 400 610.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Fermenta Biotech Limited (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

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

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

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

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

  (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014,

  (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

  (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period),

  (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period),

  (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period);

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit period); and

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws:

(a) Drugs and Cosmetics Act, 1940

(b) Industrial Disputes Act, 1947

(c) Boiler Act, 1923

(d) Fatal Accidents Act, 1955

(e) SEZ Act 2005 and Rules

(f) Customs Act, 1962

(g) Foreign Exchange Management Act, 1999

(h) Food Safety and Standards Act, 2006

(i) The Standards of Weights and Measures Act, 1976

(j) The Environment (Protection) Act, 1986

(k) The Water (Prevention and Control of Pollution) Act, 1974

(l) The Air (Prevention and Control of Pollution) Act, 1981

(m) Hazardous Wastes (Management and Handling) Rules, 1989

(n) Fatal Accidents Act, 1955

(o) Factories Act, 1948

(p) Real Estate (Regulation and Development) Act, 2016

(q) Information Technology Act, 2000

(r) The Sexual harassment of Women at Workplace Act, 2013

(vi) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We have been informed that compliance of various statutes is monitored on monthly basis by the Compliance officer and necessary action is initiated for any non-compliance. Additionally, we have been informed that a status report signed by the Company Secretary and the Chief Financial Officer on compliance of various statues is submitted to the Board at its every meeting.

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by The Institute of Company Secretaries of India,

ii) Auditing Standards issued by The Institute of Company Secretaries of India and

iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into with the BSE Limited.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board as the case may be.

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

For V.N.DEODHAR & CO.,
COMPANY SECRETARIES

V.N.DEODHAR
PROP.
FCS NO.1880
C.P. No. 898
PR No: 6464/2025
FRN No: S1986MH002900

UDIN: F001880H000484230
Place : Mumbai
Date : 26th May, 2026

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

Annexure A

To,
The members,
Fermenta Biotech Ltd.,

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

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
3. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have obtained reasonable assurance that the statements prepared, documents or Records maintained by the Company are free from misstatement.
5. Wherever required, we have obtained the Management Representation about the Compliance of Laws, Rules & Regulations and happening of events, etc.
6. The Compliance of provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The examination / audit of financial laws such as direct and indirect tax laws, labour laws has not been carried out by us as part of this Secretarial Audit.
8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For V.N.DEODHAR & CO.,
COMPANY SECRETARIES

V.N.DEODHAR
PROP.
FCS NO.1880
C.P. No. 898
PR No: 6464/2025
FRN No: S1986MH002900

UDIN: F001880H000484230
Place : Mumbai
Date : 26th May, 2026

Annexure 6

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
Fermenta Biotech Ltd.,
A-1501, Thane One,
DIL Complex,
Ghodbunder Road, Majiwada,
Thane (W) - 400 610.

We have examined the relevant register, records, forms, returns and disclosures received from the Directors of Fermenta Biotech Limited having CIN L99999MH1951PLC008485 and having Registered Office at A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwada, Thane (W) - 400 610, (hereinafter referred to as 'the Company') produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C – sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015.

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

Sr. No	Name of Director	DIN	Date of Appointment in Company
1	Mr. Satish Varma Azad Nadimpally	00003255	01/07/2003
2	Ms. Rajeshwari Datla	00046864	21/07/2005
3	Mr. Krishna Vasantkumar Datla	00003247	09/05/2010
4	Ms. Anupama Datla Desai	00217027	27/09/2019
5	Mr. Pramod Kasat	00819790	30/05/2022
6	Mr. Prashant Prabhakar Nagre	09165447	06/05/2021
7	Mr. Pradeep Manjunath Chandan	00200067	12/02/2024
8	Ms. Rajashri Santosh Kumar Ojha	07058128	01/04/2020
9	Mr. Ramanand Mundkur	03498212	14/11/2024

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

For V. N. DEODHAR & CO.,
COMPANY SECRETARIES

V. N. DEODHAR
PROP.
FCS NO.1880
C.P. NO.898
PR No: 6464/2025
FRN No: S1986MH002900

UDIN: F001880H000484384
Place : Mumbai
Date : 26th May, 2026

Annexure 7

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of energy –

i. the steps taken or impact on conservation of energy:

a. Installed energy-efficient components.

b. Replaced high-pressure sodium vapour lamps with energy-saving lights i.e LEDs.

c. Installation of systems that have reduced resultant air pollution.

ii. the steps taken by the company for utilising alternate sources of energy:

a. Infrastructure installed for reducing electricity consumption.

b. Potential diversification of our energy portfolio by evaluating renewable energies.

iii. the capital investment on energy conservation equipments:

a. Thermal utility assets were physically re-engineered

b. Brine systems separated as per temperature to reduce electricity consumption.

B. Technology absorption –

i. the efforts made towards technology absorption: NIL

ii. the benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –

a. the details of technology imported: NIL

b. the year of import: Not Applicable

c. whether the technology been fully absorbed: Not Applicable

d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable.

iv. The expenditure incurred on Research and Development –

Capital: ₹ 44.75 lakhs

Recurring: ₹ 1,345.85 lakhs

Total expenditure: ₹ 1,390.60 lakhs

C. Foreign exchange earnings and outgo:

Total Foreign exchange used and earned in 2025-26:

Foreign exchange earned: ₹ 25,212.57 lakhs

Foreign exchange used: ₹ 8,080.21 lakhs

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Pradeep M. Chandan
Chairman
(DIN: 0200067)
May 26, 2026, Thane

Annexure 8

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **Brief outline on CSR Policy of the Company:**

   Continuing with the legacy of practicing CSR activities of our founder members, the Company has been committed to the cause of CSR for many years. Over the years, CSR activities of the Company have diversified and expanded into new communities and in turn benefited more and more stakeholders. Today, our Company firmly believes that corporate citizens have a vital role to play in empowering and enriching the communities and its stakeholders.

   The CSR Policy of the Company is available on Company's website at https://fermentabiotech.com/policies.php

   Brief of CSR activities: During the year under review, the Company focused on its objective of enhancing community health and well-being through holistic approach. Key activities included support for pediatric heart surgeries, wildlife adoption, education, preventive health, disaster relief, and rural infrastructure development.

2. **Composition of the CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ramanand Mundkur	Independent Director, Chairman	1	1
2	Ms. Rajashri Ojha	Independent Director, Member	1	1
3	Ms. Rajeshwari Datla	Non-Executive Director, Member	1	1
4	Mr. Krishna Datla	Executive Vice-Chairman, Member	1	1

   CSR Committee meeting was held on May 28, 2025.

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

   CSR committee - https://fermentabiotech.com/about-us.php#board_members

   CSR Policy - https://www.fermentabiotech.com/policies.php

   CSR projects - https://www.fermentabiotech.com/policies.php

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

   a. **Average net profit of the company as per sub-section (5) of section 135:** ₹ 36,82,66,397/- (FY 2024-25, FY 2023-24, and FY 2022-23)

   b. **Two percent of average net profit of the company as per section sub-section (5) of section 135:** ₹ 73,65,327.94/- for FY 2025-26. (i.e., 2% of aforesaid ₹ 36,82,66,397/-)

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

   d. **Amount required to be set off for the financial year, if any:** ₹ 5,53,000/- (excess amount of FY 2024-25)

   e. **Total CSR obligation for the financial year (b+c-d):** ₹ 68,12,327.94/-

5. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)		(5) Location of the Project	(6) Project Duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
			State	District							Name	CSR Registration Number
-	-	-	-	-	-	-	-	-	-	-	-	-

Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number
1	Sanjay Gandhi National Park	Contribution towards animal protection/ welfare	Yes	Maharashtra	Mumbai	6,70,028	Yes	N.A.	N.A.
2	Paraplegic Rehabilitation Centre	Contribution for the benefit of armed forces veterans	No	Maharashtra	Pune	13,39,607	Yes	N.A.	N.A.
3	Mukhyamantri Sukhashray Yojana	Promoting education	Yes	Himachal Pradesh	Mandi	1,00,000	Yes	N.A.	N.A.
4	Support to Tehsildar office for Relief from Floods, Mandi	Contribution towards disaster management	Yes	Himachal Pradesh	Mandi	22,125	Yes	N.A.	N.A.
5	Contribution for Development of Gram panchayat	Contribution towards Rural development	Yes	Himachal Pradesh	Mandi	5,24,741	Yes	N.A.	N.A.
6	Contribution for Government Middle School	Promoting rural sports	Yes	Himachal Pradesh	Mandi	11,000	Yes	N.A.	N.A.
7	Contribution for office of The Block Development Officer, Mandi	Contribution towards Rural development	Yes	Himachal Pradesh	Mandi	3,28,961	Yes	N.A.	N.A.
8	Ankuram Foundation	Promoting Education	Yes	Gujarat	Bharuch	5,07,300	Yes	N.A.	N.A.
9	Contribution for Government primary school, Lakhigram	Promoting Education	Yes	Gujarat	Bharuch	4,68,000	Yes	N.A.	N.A.
10	Save the Little Hearts- Pediatric Heart Surgery	Promoting health care	Yes	Maharashtra	Thane	10,00,000	No	Rotary Thane Premium Trust	CSR00024831
11	Contribution to Prime Minister National Relief fund	Prime Minister National Relief fund	NA	NA	NA	15,20,000	No	N.A.	N.A.
	TOTAL (a)					**64,91,762**			

b) **Amount spent in Administrative Overheads:** ₹ 3,24,588/-

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

d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 68,16,350/-

e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 68,16,350	NIL	N.A.	Prime Minister National Relief Fund	15,20,000/-*	19.05.2026 and 20.05.2026

*Reason: Out of the total obligation for CSR for FY 2025-26, the Company was unable to spend ₹ 15,20,000/- by March 31, 2026 because of an inadvertent error in calculation of the CSR budget for FY 2025-26. However, as on the date of this report, the entire amount of CSR obligation for FY 2025-26 including the above ₹ 15,20,000/- has been spent in accordance with the provisions of the Companies Act, 2013. No amount towards CSR obligation remains unspent as on the date of this report.

f. **Excess amount for set off, if any**

Sl.no.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	73,65,328
(ii)	Total amount spent for the Financial Year	73,69,350*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4,022
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4,022

*The amount spent for the FY 2025-26 of ₹ 73,69,350/- includes administrative expenses of ₹ 3,24,588/- and carry forward amount of ₹ 5,53,000/- from the previous year.

6. **Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
NIL								

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

   If Yes, enter the number of Capital assets created/ acquired: 2

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (in ₹)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
1	04/02/2026	13,39,607	Paraplegic Rehabilitation Centre, Kirkee, Pune-411020	Renovation of training area for inmates at PRC
2	02/01/2026	4,77,841	Takoli Panchayat, Himachal Pradesh	Development of road
	TOTAL	**18,17,448**		

8. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** N.A.

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Prashant Nagre
Managing Director
(DIN: 09165447)
May 26, 2026, Thane

Ramanand Mundkur
Chairman
CSR Committee
(DIN: 03498212)

Annexure 9

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

Responsible business practices and sustainability are not mere components of Fermenta's strategy but these are at the core of our work ethics and governance. As a responsible corporate citizen, we are dedicated to align ourselves with environmental, social and governance norms while doing business responsibly. National Guidelines for Responsible Business Conduct, issued by Ministry of Corporate Affairs serve as a guidance tool in this regard.

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN) of the Listed Entity	L99999MH1951PLC008485
2.	Name of the Listed Entity	Fermenta Biotech Limited
3.	Year of incorporation	1951
4.	Registered office address	A-1501, Thane One, DIL Complex, Ghodbunder Road Majiwade, Thane (West) 400 610, Maharashtra, India
5.	Corporate address	Same as above
6.	E-mail	info@fermentabiotech.com
7.	Telephone	022-67980888
8.	Website	www.fermentabiotech.com
9.	Financial year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed:	BSE Limited
11.	Paid-up Capital	₹ 14,71,54,935/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Varadvinayak Khambete Designation: Company Secretary & Head - Legal Email id: ls@fermentabiotech.com Contact no: 022-67980888 Ext. 742
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Disclosures in this report are made on standalone basis.
14.	Name of assessment or assurance provider	N.A.
15.	Type of assessment or assurance obtained	N.A.

II. PRODUCTS/SERVICES

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing of Active Pharmaceutical Ingredient, Aqua CHL, Biotechnology and Nutraceutical products.	96.4%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed*
1	Vitamin D3 Product range, Phenyramidol HCl and Silicon Dry Powder	21001	87.0 %
2	Manufacture of other pharmaceutical and botanical products n.e.c.	21009	6.0 %
3	Environmental Solutions	37003	3.4 %

* Break-up of main business activity mentioned under point 16.

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	1	5
International	-	-	-

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	Around 20
International (No. of Countries)	Around 60 countries served across various continents

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Company sells its products in India as well as exports to more than 60 countries across the globe. Its export turnover contributed to 58% of the total turnover of the Company in FY 2025-26.

c. A brief on types of customers:

(i) Vitamin D3: niche APIs, customized food premixes, fortified rice kernels and other nutritional ingredients: Manufacturers of pharmaceuticals, dietary and nutritional supplements, food and beverage, veterinary, feed and rodenticides.

(ii) Green Chemistry: Manufacturers of Enzymes having applications in oleochemicals, fine chemicals, active pharmaceutical ingredients, food and fragrances, leather, biodiesel.

(iii) Environmental Solutions (Waste water management and treatment): Real estate industry.

IV. EMPLOYEES

20. Details as of the end of the Financial Year: March 31, 2026.

a. Employees and workers (including differently-abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	535	494	92.34%	41	7.66%
2.	Other than Permanent (E)	28	28	100%	0	0%
3.	**Total employees (D + E)**	**563**	**522**	**92.72%**	**41**	**7.28%**
WORKERS						
4.	Permanent (F)	95	94	98.95%	1	1.05%
5.	Other than Permanent (G)	233	228	97.85%	5	2.15%
6.	**Total Workers (F + G)**	**328**	**322**	**98.17%**	**6**	**1.83%**

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY – ABLED EMPLOYEES						
1.	Permanent (D)	1	0	0	1	100%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently – abled employees (D + E)**	**1**	**0**	**0**	**1**	**100%**
DIFFERENTLY – ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	**Total differently – abled Workers (F + G)**	**0**	**0**	**0**	**0**	**0**

21. Participation / Inclusion / Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	3	33.33%
Key Management Personnel	6*	1 (ED)	16.67%

** includes four Executive Directors (ED) and other KMPs.*

22. Turnover rate for permanent employees and workers (trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.06%	5.19%	13.41%	15.42%	6.35%	14.83%	29.17%	19.23%	28.60%
Permanent Workers	0%	0%	0%	0%	0%	0%	0%	0%	0%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Fermenta Biotech GmbH	Subsidiary Company	100	All Policies / practices of the Company are applicable to the subsidiaries to the extent statutorily required, in conformity with the applicable law.
2	Fermenta Biotech (UK) Limited	Subsidiary Company	100	
3	Fermenta Biotech USA LLC	Subsidiary Company	100	
4	Fermenta USA LLC	Subsidiary Company	52	
5	Fermenta Environment Solutions Private Limited	Subsidiary Company	100	
6	Health and Wellness India Private Ltd.#	Associate Company	47.15	

 # Under liquidation.

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes

(ii) Turnover (in ₹) : ₹ 43,053.17 Lakhs (Standalone, as per FY 2024-25)

(iii) Net worth (in ₹) : ₹ 37,995.23 Lakhs (Standalone, as per FY 2024-25)

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities	$	0	0	0	0	0	0
Investors (other than shareholders)	$	0	0	0	0	0	0
Shareholders	$	3	0	All resolved.	2	0	All resolved.
Employees and workers	$	0	0	0	0	0	0
Customers	$	12	0	All resolved.	7	0	All resolved.
Value Chain Partners	$	0	0	0	0	0	0
Other (please specify)	$	0	0	0	0	0	0

$ Yes, policies which are statutorily required by law are available on the Company's website at https://fermentabiotech.com/policies.php and other procedures regarding grievance redressal are integrated in the Company's internal standard operating procedures.

26. Overview of the entity's material responsible business conduct issues

(Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Product quality and safety	Risk	Compromise on pharmaceutical product quality would imply a compromise on the wellbeing of the end user. This may also entail failure to comply with statutory norms. Lapse in this regard may lead to product withdrawals, recalls, decreased sales, reputational risk among other threats.	The Company being in the pharma sector, the nature of its business requires the utmost attention to the quality of its product. We have taken various measures to ensure resilience against the risk, which *inter alia* include the following: • Employing rigorous systems and procedures to ensure manufacturing quality standards, GMP compliance, and other regulatory criteria. • Audits conducted to ensure Quality Assurance.	Negative
2	Competition	Risk	Competition and practices adopted in relation thereto by the competitors in the global market pose a risk for the Company's business.	The Company lays strong emphasis on maintaining the quality of its product, sales commitments, and cordial relations with its customers pan India and in global market. This ensures retention of customers and helps in maintaining the business.	Negative
3	Innovation and R&D	Opportunity	Innovation and R&D plays a crucial role in the long-term success of the Company. Our research includes developing new processes for known APIs and developing value-added and differentiated formulations. Such developments may lead to an increase in revenues.	-	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Business Integrity and Ethics	Risk	Any breach of ethical and business integrity breach may hamper the Company's credibility which might adversely impact the business relations and employee morale.	The Company's Codes of Conduct and Business Responsibility Policy lays strong emphasis on adherence to ethics and business integrity. Various policies adopted by the Company promote trust, honesty, accountability and transparency in order to ensure strong value system and social responsibility in large interest.	Negative
5	Employee engagement, and wellbeing	Opportunity	Employees are Company's biggest assets. Employee engagement, safety, and well-being initiatives drive the enhanced productivity for the Company. It is an opportunity to integrate employees' involvement in the functioning of the Company, while ensuring employee satisfaction and safety at every stage.	-	Positive
6	Statutory and regulatory compliance	Risk	The business structure of the Company attracts applicability of various laws and regulations. The compliance requirements are increasing day-by-day with increasing complexities in the business dynamics. Any non-compliance on the part of the Company is a risk for the Company not only from financial perspective but also from the perspective of its operations and credibility.	The Company has a philosophy of 'zero tolerance to non-compliance'. Statutory compliance and regulatory risks are managed through measures which *inter alia* include: • Internal controls and Compliance management systems. • Assessment of regulatory and compliance requirements on regular basis. • Independent assessments and audits. • Monitoring of Legal and regulatory compliance by senior management and the Board.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

(This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines for Responsible Business Conduct (NGRBC) Principles and Core Elements. NGRBC Principles as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below.)

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1	a.	Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs.	Y	Y	Y	Y	Y	Y	N	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No) ^	Y	Y	Y	Y	Y	Y	N	Y	Y
	c.	Web Link of the Policies, if available	https://fermentabiotech.com/policies.php								
2	Whether the entity has translated the policy into procedures. (Yes /No)		Y	Y	Y	Y	Y	Y	N	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No) @		Y	Y	Y	Y	Y	Y	N	Y	Y
4	Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		#								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.		N								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.		Not Applicable								

^ The policies which are statutorily required to be adopted have been approved by the Board of Directors. Other policies / procedures either form part of standard operating procedures or are approved by the concerned functional heads in consultation with the management.

@ The Company's policies extend to its value chain partners to the extent applicable.

EU-GMP, EDQM-CEP, Written Confirmation, USFDA, WHO-GMP, FSSAI, EIA, BRC, FSMA, Kosher, Halal, HACCP, FSSC 22000, ISO 9001, ISO 14001, ISO 45001, WFP, GAIN, FAMI-QS, American Vegetarian Association, The Vegetarian Society UK, Vegan certificate-UK, BPJPH-Halal, RSPO.

Governance, leadership and oversight:

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

Fermenta's business is anchored in solutions that contribute to healthier, safer, and more sustainable communities worldwide. Across our nutrition portfolio and biotechnology platforms, we focus on addressing critical needs linked to preventive health, resource efficiency, and environmental responsibility. Our products, including Vitamin D, support human, and animal nutrition and play an important role in helping address micronutrient gaps. Through high-quality nutritional solutions, we contribute to broader global efforts aimed at reducing malnutrition and improving community well-being.

Our biotechnology capabilities further strengthen this purpose by enabling cleaner and more efficient manufacturing processes. By offering enzyme-based green chemistry solutions, we help customers reduce hazardous waste, enhance operational efficiency, and move towards more sustainable production practices.

For us, long-term business success is inseparable from sustainability. We believe that responsible growth must be built on strong governance, ethical practices, and a balanced commitment to social, environmental, and economic priorities. This belief guides our efforts to minimize the environmental footprint of our operations, promote responsible sourcing and continuously strengthen our sustainability performance.

Our approach to corporate citizenship is reflected in the wide range of CSR initiatives we undertake in collaboration with partner organizations across India. We also continue to work towards building a more diverse, equitable and inclusive workplace. Guided by our core values of Discipline, Honesty, Mutual Respect, Perseverance and Result Orientation, we engage with our stakeholders with the objective of creating meaningful and shared value.

8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Board of Directors
9	**Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details.**	Mr. Prashant Nagre Managing Director

10 Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies, as applicable, are reviewed by the Board of Directors and/or management of the Company. Policies and performance against policies are reviewed by the management at periodic intervals *via-a-vis* statutory requirements and, accordingly, necessary amendments are made to the policies, as applicable.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non- compliances	The Company has necessary procedures in place to ensure the compliance with all relevant regulations.																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The policies, processes and compliances, as applicable, are assessed by internal auditors and statutory auditors, as per the statutory requirements. Policies, as applicable, are reviewed by the Board of Directors and/or management of the Company at periodic intervals via-a-vis statutory requirements, and, accordingly, necessary amendments are made to the policies, as applicable.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	N.A.						*	N.A.	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	N.A.						*	N.A.	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	N.A.						*	N.A.	
It is planned to be done in the next financial year (Yes/No)	N.A.						*	N.A.	
Any other reason (please specify)	N.A.						*	N.A.	

** Principle 7 (P7) is not applicable to the Company.*

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4 nos. See note (i) below 100%		100%
Key Managerial Personnel			100%
Employees other than BoD and KMPs	8 nos. See note (ii) below 100%		100%
Workers			100%

Note.

(i) The Directors of the Company at the time of their appointment are oriented on the Company's philosophy, core values, code of business conduct and other codes / policies, and their roles and responsibilities as the director vis-à-vis Company's operations, industry in which it operates and statutory requirements.

At each meeting of the Board and Committees, the Directors and KMPs are apprised, inter alia, of the material developments regarding functioning and operations of the Company. Familiarization programmes are undertaken to keep the directors apprised of Company's strategic plans, regulatory changes, any major risk that needs to be attended, and overview of business and operations.

(ii) At the time of joining, the employees and workers are acquainted on various functional and non-functional aspects of the Company. Orientation program focuses on the Company's philosophy, core values, ethical business practices, code of business conduct, prohibition of insider trading code, Company's work culture and other policies including policy on Prevention of Sexual Harassment (POSH) at the Workplace, Whistle Blower Policy.

The Company strongly believes in upskilling its employees and workers by providing various functional as well as general trainings as and when required. We have identified various skills which are necessary for the employees and workers in relation to their work requirements. Employees and workers are provided with necessary training programmes not only pertaining to the respective areas of work but also overall concerning their wellbeing, health & safety.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	NIL	*	NIL	*	Yes
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

* The Company received order no. 09/GST/AC/CGST-SML/DIV-MANDI/2024-25 from Central Goods & Services Tax – Mandi Division *inter alia* under section 74 of Central Goods and Services Tax Act, 2017 ('CGST Act, 2017') read with corresponding provisions of Himachal Pradesh Goods and Services Act, 2017 ('HPGST Act 2017') and Integrated Goods and Services Tax Act, 2017 ('IGST Act 2017') for (i) demand amounting to Rs. 1,35,64,986/- (IGST) (Rupees One Crore Thirty-Five Lakh Sixty-Four Thousand Nine Hundred and Eighty-Six Only) under Section 74; (ii) demand of interest on the aforesaid amount under Section 50(1); and (iii) penalty of Rs. 1,35,64,986/- (Rupees One Crore Thirty-Five Lakh Sixty-Four Thousand Nine Hundred and Eighty-Six Only) upon Notice under Section 74 of the CGST Act, 2017 read with corresponding provisions of the HPGST Act, 2017 and IGST Act, 2017. The Company has preferred an appeal to the Appellate Authority and paid Rs. 13,56,500/- as pre-deposit.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
As stated for 2. above	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company has adopted Business Responsibility Policy which covers the same. The policy is available on the website of the Company at https://fermentabiotech.com/policies.php

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. **Details of complaints with regard to conflict of interest:**

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

– Not Applicable.

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2025-26	FY 2024-25
Number of days of accounts payables	151 days	169 days

9. **Openness of business**

(Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:)

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	44%	24%
	b. Number of trading houses where purchases are made from	630	758
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	49%	50%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	14.04%	9.1%
	b. Number of dealers / distributors to whom sales are made	3	3
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	100.00%	100%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NIL	NIL
	b. Sales (Sales to related parties / Total Sales)	10.89%	10.94%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	94.63%	52.90%
	d. Investments (Investments in related parties / Total Investments made)	82.34%	77.19%

PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	2025-26	2024-25	Details of improvements in environmental and social impacts
R & D	-	-	-
Capex	-	-	-

2. a. Does the entity have procedures in place for sustainable sourcing?

We have standard operating procedures for the evaluation and selection of our vendors for sourcing of material who are responsible suppliers and adhere to the uniform quality, social and environmental standards as Fermenta.

b. If yes, what percentage of inputs were sourced sustainably? 100%.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Processes in place to safely reclaim the product
Plastics (including packaging)	The Company has engaged Central/State Pollution Control Board registered plastic waste processors to collect plastic waste from Company's factories. These plastic waste processors send it for recycling/end of life disposal after treatment. This reduces wastage of plastic at the factory level itself
E-waste	100% e-waste is sold to authorised vendors.
Hazardous waste	For recycling and disposal of hazardous waste, all hazardous waste of the Company segregated at the factory level and sent to the respective Board-authorised waste management processor for disposal in accordance with regulatory norms.
Other waste	Non-hazardous waste such as glass, MS scrap, wood waste, cartons, plastic, etc. is sent to recyclers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not applicable.

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	494	494	100%	494	100%	0	0	494	100%	0	0
Female	41	41	100%	41	100%	41	100%	0	0	0	0
Total	**535**	**535**	**100%**	**535**	**100%**	**41**	**7.66%**	**494**	**92.34%**	**0**	**0**
Other than Permanent employees											
Male	28	28	100%	28	100%	0	0	28	100%	0	0
Female	0	0	100%	0	100%	0	0	0	0	0	0
Total	**28**	**28**	**100%**	**28**	**100%**	**0**	**0**	**28**	**100%**	**0**	**0**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	94	94	100%	94	100%	0	0	94	100%	0	0
Female	1	1	100%	1	100%	1	100%	0	0	0	0
Total	**95**	**95**	**100%**	**95**	**100%**	**1**	**1.05%**	**94**	**98.95%**	**0**	**0**
Other than Permanent workers											
Male	228	228	100%	228	100%	0	0	228	100%	0	0
Female	5	5	100%	5	100%	5	100%	0	0	0	0
Total	**233**	**233**	**100%**	**233**	**100%**	**5**	**2.15%**	**228**	**97.85%**	**0**	**0**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	Total Amount: ₹ 92,25,895/- (0.20%)	Total Amount: ₹ 91,53,649/- (0.22%)

2. **Details of retirement benefits, for Current Financial Year and Previous Financial Year.**

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	4.86%	6.32%	Yes	5.64%	25.70%	Yes
Others – NPS	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises/ offices of the Company has infrastructure available for differently abled individuals.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy? –**

Social Compliance Policy is available at https://fermentabiotech.com/policies.php

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. FBL has Grievance Redressal Committee to address grievances of employees across all locations. We also encourage employees to voice their concerns through a suggestion box placed at all facilities. FBL also has POSH Policy in place, and the aggrieved women at workplace can approach Internal Committee of the Company.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
– Male	0	0	0	0	0	0
– Female	0	0	0	0	0	0
Total Permanent workers						
– Male	94	94	100%	96	96	100%
– Female	1	1	100%	1	1	100%

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E	% (E / D)	Number (F)	% (F / D)
Employees										
Male	494	494	100%	494	100%	473	473	100%	473	100%
Female	41	41	100%	41	100%	36	36	100%	36	100%
Total	**535**	**535**	**100%**	**535**	**100%**	**509**	**509**	**100%**	**509**	**100%**
Workers										
Male	94	94	100%	94	100%	96	96	100%	96	100%
Female	1	1	100%	1	100%	1	1	100%	1	100%
Total	**95**	**95**	**100%**	**95**	**100%**	**97**	**97**	**100%**	**97**	**100%**

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	Number (B)	% (B / A)	Total (C)	Total (D)	% (D/C)
Employees						
Male	494	494	100%	473	473	100%
Female	41	41	100%	36	36	100%
Total	**535**	**535**	**100%**	**509**	**509**	**100%**
Workers						
Male	94	94	100%	96	96	100%
Female	1	1	100%	1	1	100%
Total	**95**	**95**	**100%**	**97**	**97**	**100%**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. In accordance with the Environment, Health and Safety Policy of the Company, Occupational Health and Safety Management System has been implemented at all in house manufacturing facilities and Research & development laboratory. Further, all other locations also comply with the applicable statutory requirement pertaining to health and safety. The Company's health and safety management system is based on ISO 45001, the International Standard for Occupational Health and Safety.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company has Environment, Health Safety and Sustainability Policy in place. The health and safety guidelines are applicable to all operating locations of the Company and lay down required parameters to be followed at all locations. Some of the key processes for identifying work-related hazards and assessing risks on a routine and nonroutine basis are given below:

I. Hazard Identification and Risk Assessment (HIRA) is used for routine and non-routine activities.

II. Hazard and Operability Study (HAZOP) is being used for identifying hazard related to chemical processes.

III. Chemical Risk Assessment is used for identifying health hazards during handling of chemicals.

IV. Fire Risk Assessment is done for handling fire related risks.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, all workers at plants can report work related hazards through an internal reporting system. All the work hazards reported are monitored and actioned upon through Safety Committee at the plant. A process of 'stoppage of work due to unsafe act and unsafe condition' to safeguard employees' interest is in place to report or remove themselves from situations they believe could cause injury. At non-manufacturing locations, the workers approach the location head to report any work-related hazards and to remove themselves from such risks.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, Company's various locations have empaneled doctors and all employees/workers are covered under the Company's health insurance and personal accident policy.

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

* Including in the contract workforce.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

To ensure the safe and healthy workplace, we have implemented SOPs which are available in local language and which need to be followed by every personnel working in the Company. Use of safety material are mandatory for concerned employees/workers. Mock drills and fire drills are carried out to evaluate the emergency readiness as well as safety measures in the event of any unexpected or undesirable occurrences. Highest standards of hygiene and housekeeping are maintained. The Company operates on a well-maintained HVAC system.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. –

The Company continuously monitors and assesses its health and safety practices and working conditions. Investigation is conducted in case any incident is reported using various methodology to identify the root cause. The investigation team presents corrective and preventive measures which is reviewed at various levels by the local management and central teams. Such corrective actions are then deployed horizontally across locations.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS.

1. Describe the processes for identifying key stakeholder groups of the entity.

The entire value chain of Fermenta is facilitated by its stakeholders which *inter alia* include employees, workers, shareholders, customers, communities, suppliers, regulators and lenders. These stakeholders are crucial for Company's very existence, the overall development and sustainable growth of its business.

Stakeholder identification is a continuous and on-going process at Fermenta. The Company has identified internal and external group of stakeholders. Policies at Fermenta also aim at ensuring overall Stakeholders' satisfaction.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	• General Meetings • Stock Exchange intimations • Investor presentations / Annual reports & quarterly results • Press releases • Company's website	Ongoing	Keeping shareholders updated about the Company's business performance is crucial. We value acknowledging their queries and inputs and expectations from Company.
Customers	No	• Customer meets • Direct communication • Brochures • Social media • Company's website • Exhibitions and conferences	Need basis	Our entire business is dependent upon customers. Understanding customers' expectations, their satisfaction and retention is at the core of Fermenta's operations. Engagement and good relationships with customers helps the Company in Business Development.
Employees and Workers	No	• Senior management interactions • HR communications • Performance appraisal meetings/review • Exit interviews • Union meetings, Company's website • HRMS	Continually	Employees are our biggest asset and pillars of our functioning. Regular interactions with them help the Company understand their expectations and grievances which in order helps Company build a strong employee base with loyalty and low attrition rate.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	• Meetings • Supplier audits • Facility visits	Regular basis	Regular engagements and audit helped to ensure timely receipt of materials and capital goods, their quality and safety amongst other critical services to ensure continuity of business operations.
Regulators	No	• Meetings • Seminars/ Webinars • Official communications • Statutory publications	Need basis	We aspire for full compliance with all the applicable regulations. Interactions with the Government and Regulators help us understand statutory and procedural requirements and resolve any issues or lapses in relation thereto.
Communities	No	• Interactions through CSR initiatives	Need basis	Fermenta, being a responsible corporate citizen, strongly believes in growing together with the community. Hence, our CSR programmes helps in community development. The Company also fulfils its manpower requirement by employing the people from the nearby location where it has its business operations to the extent possible.

PRINCIPLE 5 BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	535	535	100%	509	509	100%
Other than permanent	28	28	100%	23	23	100%
Total Employees	**563**	**563**	**100%**	**532**	**532**	**100%**

Workers						
Permanent	95	95	100%	97	97	100%
Other than permanent	233	233	100%	226	226	100%
Total Workers	**328**	**328**	**100%**	**323**	**323**	**100%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E /D)	No. (F)	% (F/ D)
Employees										
Permanent										
Male	494	0	0	494	100%	473	0	0	473	100%
Female	41	0	0	41	100%	36	0	0	36	100%
Other than Permanent										
Male	28	0	0	28	100%	23	0	0	23	100%
Female	0	0	0	0	100%	0	0	0	0	0
Workers										
Permanent										
Male	94	0	0	94	100%	96	0	0	96	100%
Female	1	0	0	1	100%	1	0	0	1	100%
Other than Permanent										
Male	228	228	100%	0	0	223	223	100%	0	0
Female	5	5	100%	0	0	3	3	100%	0	0

3. **Details of remuneration/salary/wages:**

(a) Median remuneration / wages:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors	3	2,79,52,286	1	1,84,20,015
Key Managerial Personnel	2	76,36,157	0	0
Employees other than BoD and KMP	595	6,86,492	44	8,31,888.18
Workers	96	4,57,318	1	4,03,620

(b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	8.97%	7.57%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. Human Resource Department is responsible for the same.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has Policies on Human Rights which are applicable to all its employees and suppliers & service providers. The said Policies and their implementation are directed towards adherence to applicable laws and upholding the spirit of human rights. The Company has in place a Business Responsibility Policy. A grievance redressal system to facilitate open and structured discussions is available at all units and locations to ensure that grievances related to labour practices and human rights are addressed and resolved in a fair and just manner.

6. **Number of Complaints on the following made by employees and workers:**

Particulars	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil		NIL	NIL	NIL
Discrimination at workplace	Nil	Nil		NIL	NIL	NIL
Child Labour	Nil	Nil		NIL	NIL	NIL
Forced Labour / Involuntary Labour	Nil	Nil		NIL	NIL	NIL
Wages	Nil	Nil		NIL	NIL	NIL
Other human rights related issues	Nil	Nil		NIL	NIL	NIL

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	NIL
Complaints on POSH as a % of female employees / workers	Nil	NIL
Complaints on POSH upheld	Nil	NIL

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

As part of Whistleblower Policy and POSH Policy, the Company protects identity of the complainant/ whistleblower. All such matters are dealt in strict confidence and based on facts of the case.

9. **Do human rights requirements form part of your business agreements and contracts?**

It depends on the type and nature of agreement.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%, assessed by the Company.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above. –**

Not Applicable

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT.

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
From renewable sources in MJ		
Total electricity consumption (A)	1,70,33,875.2	0
Total fuel consumption (B)	0	0
Energy Consumption Through Other Sources (C) (Solar)	31,627.5	1,22,414.40
Total energy consumed from renewable sources (A+B+C)	**1,70,65,502.7**	**1,22,414.40**
From non-renewable sources in MJ		
Total electricity consumption (D)	4,61,83,582	6,17,00,976
Total fuel consumption (E)	9,33,76,336.2	1,98,80,259
Energy consumption through other sources (F)	7,500	182490.98
Total energy consumed from non-renewable sources (D+E+F)	**13,95,67,418.2**	**81763725.98**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.035824525	0.02200767
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – N.A.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

– N.A.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	18,117.59	18,817
(iii) Third party water	1,02,802.24	91,468.22
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	**1,20,919.83**	**1,10,285.22**
Total volume of water consumption (in kiloliters)	1,20,919.83	1,10,285.22
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.027656355	0.02964019
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	44,644	0
Treatment level Primary, Secondary & Tertiary		
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment (Primary, Secondary & Tertiary)	18,583	49,673
Total water discharges (in kiloliters)	**63,227**	**49,673**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N.A.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

The Company's manufacturing site at Kullu, Himachal Pradesh is Zero Liquid Discharge Site. Treated water is recycled to utility purpose as per CTO condition.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	mg/nm3	518.25	25.282
SOx	mg/nm3	107.73	15.24
Particulate matter (PM)	mg/ss nm3	234.80	24.30
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N.A.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	-	-
	-	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	-	-
	-	-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N.A.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes. The Company works towards improving the energy efficiency across operational locations and enhance the proportion of renewable energy sources (electricity and biofuels) in the total energy mix.

The Company has solar installation in operation, supplying the electricity to our facilities in Maharashtra, and further plan to increase the share of renewable energy.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	9.776	0.337
E-waste (B)	0.611	0.637
Bio-medical waste (C)	0.342	0.1146
Construction and demolition waste (D)	0	0
Battery waste (E)	0.7113	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	1,853.86	1365.7355

Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e.by materials relevant to the sector)		
1) Wet Garbage	**20.25**	18.5
2) STP sludge	**1.75**	1.5
3) Dry Garbage	**24.5**	22.2
Total (A+B + C + D + E + F + G + H)	**1,911.80**	**1409.0241**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000437	0.00037
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	581.128	431.441
(ii) Re-used	9.8654	11.3245
(iii) Other recovery operations	591.66	0.337
Total	**1182.653**	**443.1025**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	7.912	2.9396
(ii) Landfilling	674.732	618.925
(iii) Other disposal operations	15	344.057
Total	**697.64**	**965.9216**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N.A.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has consistently scaled up its waste management practices by reducing generated quantities and directing waste to authorised Treatment, Storage and Disposal Facilities (TSDF). The Company endeavors to increase the share of recycling and coprocessing to bring down the quantity of waste disposed to landfills. It has dedicated storage area for different type of waste (E-waste, hazardous and non-hazardous) and waste segregation is done at source. Hazardous waste packing is done into compatible packing material and all types of waste are labelled, stored and disposed of as per applicable rules and consent to operate.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
N.A			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Environmental Impact Assessment (EIA) was not required for FY 2025-26.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
N.A					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NIL				

PRINCIPLE 7 BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

1. a. Number of affiliations with trade and industry chambers/ associations. 17

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Drug Manufacturers Association (IDMA)	National
2	Maharashtra Chamber of Commerce, industry & Agriculture (MACCIA)	State
3	Indo-German Chamber of Commerce (IGCC)	National / International
4	Small and Medium Business Development Chamber of India (SME)	National
5	Federation of Pharma Entrepreneurs India (FOPE)	National
6	Indian Merchant Chambers (IMC)	National
7	Bombay Chamber of Commerce & Industry (BCCI)	National
8	The Compound Feed Manufacturers Association (CLFMA)	National
9	Solvent Extractors Association (SEA)	National
10	Federation of Indian Export Organisations (FIEO)	National
11	Pharmaceuticals Export Promotion Council of India (Pharmexcil)	National
12	Chemicals and Allied Export Promotion Council (CAPEXIL)	National
13	Agricultural and Processed Food Products Export Development Authority (APEDA)	National
14	Council for Responsible Nutrition (CRN)	International
15	Health Food and Dietary Supplements Association (HADSA)	National
16	Chamber for Advancement of Small and Medium Businesses (CASMB)	National
17	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.** – Not Applicable

Name of authority	Brief of the case	Corrective action taken
	NIL	

PRINCIPLE 8 BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.** – Not Applicable.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes / No)	Relevant Web link
		NIL			

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:** Not Applicable

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
			NIL			

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company has a process to receive and redress concerns/grievances received from the community. As a part of CSR Initiative and business activities, the Company interacts with the community on a regular basis.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	14%	55%
Directly from within India	55%	14%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2025-26	FY 2024-25
Rural	-	-
Semi-urban	49.89%	46.57%
Urban	-	-
Metropolitan	50.11%	53.43%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

PRINCIPLE 9 BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Fermenta endeavours to identify and act upon any consumer complaints with urgency. Our customers can reach out to their point of contacts at Fermenta who work internally to resolve the same at earliest. Fermenta has standard operating procedures in place for responding to customer complaints.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil			Nil		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for recall
Voluntary recalls	0	N.A.
Forced recalls	0	N.A.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Company's policies related to cyber security *inter alia* cover risks related to data privacy and are available on the Company's intranet portal.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   N.A.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches.** NIL

   b. **Percentage of data breaches involving personally identifiable information of customers.** N.A.

   c. **Impact, if any, of the data breaches.** N.A.

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Pradeep M. Chandan
Chairman
(DIN: 0200067)
May 26, 2026, Thane

Annexure 10

Declaration pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I hereby confirm that all Directors and Senior Management Personnel of the Company have affirmed adherence to the "Code of Conduct for Board Members and Senior Management" during the financial year ended on March 31, 2026.

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Prashant Nagre
Managing Director
(DIN: 09165447)
May 26, 2026, Thane

Annexure 11

CEO and CFO Certification

[Under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Board of Directors
Fermenta Biotech Limited

1. We have reviewed financial statements and the cash flow statement of Fermenta Biotech Limited ("the Company") for the year ended March 31, 2026, and to the best of our knowledge and belief:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
   i. Significant changes in the Company's internal control over financial reporting, if any, during the year;
   ii. Significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Prashant Nagre
Managing Director
(DIN: 09165447)
May 26, 2026, Thane

Sumesh Gandhi
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To

The Members of
Fermenta Biotech Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Fermenta Biotech Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, 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 notes to the standalone financial statements, including a summary of material 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act") 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, 2026, 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 of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Recoverability of investments in and loans given and receivables from a subsidiary
(as described in Note 9, 11 and 16 of the standalone financial statements)</td></tr>
<tr><td>The Company has investment in an overseas subsidiary having carrying value of ₹ 284.72 lakh (net of impairment loss of ₹ 900 lakh). Further, the Company has also given loans of Rs. 806.08 lakh and has receivables outstanding from the subsidiary amounting to ₹ 1,520.01 lakh

The overseas subsidiary have incurred losses in prior periods as well as in the current year due to unfavorable market conditions and other adverse indicators. Accordingly, these factors have been considered in assessing impairment and determining the expected credit loss.

Assessment of the recoverable amount of these balances has been identified as a key audit matter due to:
• Significance of the carrying amount of these balances.
• Significant estimates relating to the estimated future cash flows, associated discount rates and growth rates based on management's view of future business prospects, to the extent applicable.
• Changes to any of these assumptions could lead to material changes in the estimated recoverable amount impacting potential impairment/ expected credit loss.</td><td>Our audit procedures included the following:
• We obtained management's assessment for impairment for recoverability of these investments and financial assets.
• Evaluated the design and implementation and tested the operating effectiveness of key internal financial controls related to the Company's process relating to impairment assessment and determination of expected credit loss.
• Assessed impairment/ expected credit loss model used by the management and the evaluated the assumptions used around the key drivers (cash flow forecasts, discount rates, expected growth rates, forecasted margins and terminal growth rates) based on our knowledge of the subsidiaries business and Industry, as applicable. Compared the historical accuracy by comparing past forecasts to actual results achieved.
• Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.
• Tested the arithmetical accuracy of the computation of recoverable amounts.
• Assessed the adequacy of disclosures made in the standalone financial statements.</td></tr>
<tr><td colspan="2">Provision for Inventory obsolescence (as described in Note 15 of the standalone financial statements)</td></tr>
<tr><td>As at March 31, 2026, the carrying amount of inventories amounted to ₹ 13,065.56 lakh after considering allowances for Inventory of ₹ 686.68 lakh.

Inventories are carried at lower of cost and net realisable value.

The Company makes provision for inventory based on category of products, experience, age of Inventory, current trend and future expectations of forecast inventory demand.

Considering the significant management judgment and estimates involved, provision for inventory obsolescence has been considered as a key audit matter.</td><td>Our audit procedures included the following:
• Obtained an understanding of management's process to identify slow-moving, obsolete and other non-saleable inventory, and process of consequent measurement of required provision for obsolescence.
• Evaluated the design, implementation and tested the operating effectiveness of key controls that the Company has in relation to aforesaid process.
• For provisions made in respect of slow moving and non-saleable Inventory, discussed with management the triggers considered for such identification and evaluated the same in view of our understanding of the business and industry conditions. Assessed the management's estimates regarding the expected timing by which the balance inventory of aforesaid products would be sold basis past trends and market conditions.
• Reperformed computations to test the accuracy and completeness of such provision estimates.
• Assessed the adequacy of disclosures made in the standalone financial statements.</td></tr>
</table>

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 the 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 judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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 standalone 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 standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;

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

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g)

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 43 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, 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;

b) The management has represented that, to the best of its knowledge and belief, 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; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 58 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights, as described in Note 67 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454
UDIN: 26136454BNIJTB6999

Place of Signature: Mumbai
Date: May 26, 2026

ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Fermenta Biotech Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 6 to the standalone financial statements are held in the name of the Company except immovable property as indicated in the below mentioned case as at March 31, 2026 for which title deeds were not available with the Company and hence we are unable to comment on the same.

Description of Property	Gross carrying value (in lakh)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Freehold land located at Village Takwe (Budruk), Tal – Maval District – Pune – Admeasuring 1.93 Acres	0.47	The land is held in trust in the name of Mr. Krishna Datla (Executive Vice Chairman).	Yes	Various dates from 27th December 1992 to 01st June 1995.	The plot of land is an agricultural land lying in the industrial zone and as explained to us, required to register in individual names.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management except for inventories lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate. Inventories lying with third parties have been confirmed by such third parties as at March 31, 2026. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory

(b) As disclosed in Note 28 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

₹ In lakhs

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	1,400.00	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases (net of provisions)				
- Subsidiaries	-	-	2,206.08	464.22*
- Joint Ventures	-	-	-	-
- Associates *	-	-	37.00*	-
- Others	-	-	114.5	-

*The amounts reported are at gross amounts, without considering provisions made

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies are not prejudicial to the Company's interest.

(c) In respect of certain loans and / or advance in the nature of loan granted to companies or any other parties, the schedule of repayment of principal and payment of interest has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) The Company had granted loan to a company which had fallen due during the year and the Company had extended the loan during the year to the respective party to settle the dues of the existing loan.

The aggregate amount of such dues extended by loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year are as follows:.

Name of Party	Aggregate amount of loans or advances in the nature of loans granted during the year (₹ in lakhs)	Aggregate amount of overdues of existing loans extended (₹ in lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
D K Biopharma	-	100	6.67%
Fermenta Environment Solutions Private Limited	1,400	-	93.33%

(f) As disclosed in Note 11 to the standalone financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

₹ In lakhs

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	501.22 *	-	501.22 *
Percentage of loans/ advances in nature of loans to the total loans	17.76%	-	17.76%

* The amounts reported are at gross amounts, without considering provisions made.

(iv) There are no loans, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon. Loans, investments, guarantees and security in respect of which provisions of sections 186 of the Companies Act, 2013 ('the Act') are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ lakh)*	Period to which the amount relates	Forum where the dispute is pending
The Gujarat Sales Tax Act	Sales Tax	4.63	1992-1994	High Court, Bombay
The Finance Act 1994	Service Tax	18.75	2000-2001	Sales Tax Appellate Tribunal
Goods and Service Tax	Goods and Service Tax	135.65	2018-2020	GST Commissioner

* Excluding Interest

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, or associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 61 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a fund specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 51 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 51 to the standalone financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454
UDIN: 26136454BNIJTB6999

Place of Signature: Mumbai
Date: May 26, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FERMENTA BIOTECH 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 with reference to standalone financial statements of Fermenta Biotech Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454
UDIN: 26136454BNIJTB6999

Place of Signature: Mumbai
Date: May 26, 2026

fermenta

Annual Report 2025-26

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Fermenta Biotech Limited

STANDALONE BALANCE SHEET as at March 31, 2026

(₹ in Lakhs)

Particulars	Notes	March 31, 2026	March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	20,550.04	21,005.86
(b) Capital work-in-progress	4	1,279.04	1,590.73
(c) Right-of-use assets	5	492.78	619.34
(d) Investment property	6	308.35	318.69
(e) Goodwill	6A	411.65	411.65
(f) Other Intangible assets	7	229.58	227.94
(g) Intangible assets under development	8	31.93	-
(h) Investments			
i) Investments in subsidiaries	9A	1,120.06	320.06
ii) Investments in an associate	9B	-	-
i) Financial assets			
(i) Investments	9C	41.94	48.63
(ii) Share application money	10	-	-
(iii) Trade receivables	16	-	1,296.01
(iv) Loans	11	2,318.08	748.21
(v) Other financial assets	12	533.04	502.92
j) Deferred tax assets (net)	48C	1,835.91	2,864.40
k) Non-current tax assets (net)	13	31.25	186.80
l) Other non-current assets	14	101.33	53.52
Total non-current assets		**29,284.98**	**30,194.76**
Current assets			
a) Inventories	15	13,065.56	9,447.82
b) Financial assets			
i) Trade receivables	16	13,720.56	12,020.90
ii) Cash and cash equivalents	17	887.97	1,849.52
iii) Bank balances other than (ii) above	18	914.25	4,345.94
iv) Loans	19	2.50	111.03
v) Other financial assets	20	5,333.75	1,546.71
c) Other current assets	21	2,026.03	1,845.58
d) Contract Assets		-	884.30
Total current assets		**35,950.62**	**32,051.80**
TOTAL ASSETS		**65,235.60**	**62,246.56**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	22	1,433.53	1,458.45
b) Other equity	23	40,848.04	36,536.78
Total equity		**42,281.57**	**37,995.23**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	24	789.94	1,504.76
ii) Lease liabilities	46	318.08	444.37
iii) Other financial liabilities	25	1,671.90	1,662.46
b) Provisions	26	1,019.08	780.59
c) Other non-current liabilities	27	7.89	16.22
Total non-current liabilities		**3,806.89**	**4,408.40**
Current liabilities			
a) Financial liabilities			
i) Borrowings	28	10,098.62	9,435.28
ii) Lease liabilities	46	126.30	109.16
iii) Trade payables			
a) Total outstanding dues of micro and small enterprises	29 & 52	208.25	387.86
b) Total outstanding dues of creditors other than micro and small enterprises	29	6,142.39	6,040.13
iv) Other financial liabilities	30	717.99	431.20
b) Other current liabilities	31	1,640.73	2,817.12
c) Provisions	32	97.58	72.70
d) Current tax liabilities	33	115.28	441.05
e) Contract Liability		-	108.43
Total current liabilities		**19,147.14**	**19,842.93**
TOTAL EQUITY AND LIABILITIES		**65,235.60**	**62,246.56**
See accompanying notes to the Standalone financial statements	1-74		

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

Thane, May 26, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS
for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	34	45,025.27	43,053.17
Other income	35	2,389.89	1,167.78
Total Income		**47,415.16**	**44,220.95**
EXPENSES			
Cost of materials consumed	36	16,656.99	13,714.45
Purchases of stock-in-trade		1,150.05	1,723.68
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	(2,470.98)	(758.96)
Employee benefits expense	38	7,413.83	6,009.69
Finance costs	39	1,148.44	1,419.92
Depreciation and amortisation expense	40	2,093.63	2,317.29
Other expenses	41	13,195.70	12,352.84
Total expenses		**39,187.66**	**36,778.91**
Profit before Exceptional Items and tax		**8,227.50**	**7,442.04**
Exceptional Items	69	696.62	-
Profit before Tax		**8,924.12**	**7,442.04**
Tax expense:			
Current tax		1,460.72	1,312.24
Deferred tax expenses / (credit)		1,035.04	(631.74)
Total tax expense	48	**2,495.76**	**680.50**
Profit for the year		**6,428.36**	**6,761.54**
Other comprehensive income/(loss) :			
a) Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit plan		32.68	(112.48)
(ii) Income tax relating to remeasurements of defined benefit plan		(8.23)	32.75
b) Items that will be reclassified to profit or loss			
(i) Net fair value change in investment in equity instruments through other comprehensive income		(6.68)	5.26
(ii) Income tax relating to fair value change in investments in equity instruments through other comprehensive income		1.68	-
Total other comprehensive income/(loss) for the year (a+b)		**19.45**	**(74.47)**
Total comprehensive income for the year		**6,447.81**	**6,687.07**
Earnings per equity share of ₹ 5 each before exceptional items	45		
- Basic (in ₹)		20.43	23.18
- Diluted (in ₹)		20.27	23.18
Earnings per equity share of ₹ 5 each after exceptional items	45		
- Basic (in ₹)		22.13	23.18
- Diluted (in ₹)		21.96	23.18
See accompanying notes to the Standalone financial statements	1-74		

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

Thane, May 26, 2026

STANDALONE STATEMENT OF CASH FLOW
for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
A. Cash flows from operating activities		
Profit after Exceptional Items and before tax	8,924.12	7,442.04
Adjustments for:		
– Depreciation and amortisation expense	2,093.63	2,317.29
– Net unrealised foreign exchange (gain) / loss	(80.89)	148.73
– Gain on sale of property, plant and equipment and investment property (net)	(173.37)	(3,961.86)
– Proceeds on sale of Investment Property	163.20	4,663.59
– Expected credit loss on financial assets	360.56	112.97
– Unwinding of interest on financial assets carried at amortised cost	(6.03)	(141.81)
– Share based payments to employees	295.30	-
– Finance costs	1,148.44	1,419.92
– Interest income	(564.49)	(312.02)
– Dividend income	(86.40)	(90.97)
– Liabilities / provisions no longer required written back (net)	(337.72)	(123.37)
– Gain on transfer of business to subsidiary	(41.31)	-
– Provision no longer required written back of inventory	(1,023.73)	(414.00)
– Exceptional Items	210.52	-
– Net (gain) on fair value changes of derivatives measured at FVTPL	(2.80)	(0.90)
Operating profit before working capital changes	**10,879.03**	**11,059.61**
Movements in working capital:		
– Decrease / (increase) in trade receivables	198.85	(5,021.46)
– Increase in inventories	(2,594.01)	(1,173.22)
– Decrease / (Increase) in other assets	2,124.30	(2,325.22)
– Increase in trade payables	259.00	1,196.22
– Increase in provisions	296.05	145.92
– Decrease in other liabilities	(1,269.66)	(222.04)
Cash generated from operations	**9,893.56**	**3,659.81**
– Income taxes payment net of refund	(1,630.95)	(277.12)
Net cash generated from operations (A)	**8,262.61**	**3,382.69**
B. Cash flows from investing activities		
– Payments for purchase of property, plant and equipment, investment property, capital work-in-progress, intangible assets and intangible assets under development	(3,031.24)	(2,213.36)
– Proceeds on sale of property, plant and equipment	10.92	1,925.09
– Repayment of loan given to employee /Intercorporate deposits placed	18.30	371.25
– Interest received	392.96	384.50
– Intercorporate deposits given /Loan given to employee	(1,400.00)	(8.00)
– Investments in a subsidiary	(800.00)	-
– Proceeds from transfer of business to subsidiary	1,900.00	-
– Dividend received	86.40	90.97
– Bank Deposits (placed) / realised	(1,627.18)	(509.74)
Net cash (used in) / generated investing activities (B)	**(4,449.84)**	**40.71**

STANDALONE STATEMENT OF CASH FLOW
for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
C. Cash flows from financing activities		
– Proceeds from non current borrowings	43.04	-
– Repayment of non current borrowings	(1,784.86)	(3,334.45)
– Proceeds from shares issued by ESOP trust	0.65	246.72
– Proceeds / (Repayment) of current borrowings (net)	1,220.90	(247.98)
– Finance cost paid	(1,088.55)	(1,248.88)
– Repayment of Lease Liabilities	(148.71)	(144.97)
– Dividends paid	(729.22)	(361.18)
– Treasury shares acquired by ESOP Trust	(1,728.19)	-
Net cash (used in) financing activities (C)	**(4,214.94)**	**(5,090.74)**
Net (decrease) in cash and cash equivalents (A)+(B)+(C)	**(402.17)**	**(1,667.34)**
Cash and cash equivalents at the beginning of the year	(311.65)	1,355.69
Less : Decrease in cash & cash equivalents pursuant to transfer of environment business (Refer Note 72)	(150.00)	-
Cash and cash equivalents at the end of the year	**(863.82)**	**(311.65)**
Components of cash and cash equivalents		
Cash on hand	30.89	21.23
Balances with banks:		
– In current accounts	857.08	1,828.29
– In deposits accounts with original maturity for less than 3 months	-	-
Cash and cash equivalents (Refer Note 17)	**887.97**	**1,849.52**
Bank overdraft / Cash credit facilities (Refer Note 28)	(1,751.79)	(2,161.17)
Total cash and cash equivalents considered for cash flows	**(863.82)**	**(311.65)**

See accompanying notes to the Standalone financial statements 1-74

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

Thane, May 26, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(a) EQUITY SHARE CAPITAL:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	1,458.45	1,443.71
Add: Shares issued during the year on stock option exercise (Refer Note 22[a])	0.04	14.74
Less: Treasury share acquired by ESOP Trust (Refer Note 22[a])	(24.96)	-
Balance at the end of the year	**1,433.53**	**1,458.45**

(b) OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and surplus									Items of other comprehensive income	Total
	Unrealised (loss) on dilution	Capital redemption reserve	Capital reserve pursuant to amalgamation	Treasury Shares held by ESOP Trust	Capital reserve	Securities premium	General reserve	Share options outstanding account	Retained earnings	Equity instruments through OCI	
Balance as at April 01, 2024	**(4,242.23)**	**70.00**	**39.72**	**-**	**1,140.00**	**236.89**	**3,742.10**	**1,273.45**	**27,679.83**	**39.14**	**29,978.90**
Profit for the year	-	-	-	-	-	-	-	-	6,761.54	-	6,761.54
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	(79.73)	5.26	(74.47)
Transfer to equity share capital on excerise of options	-	-	-	-	-	1,243.47	-	(1,243.47)	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	-	231.99	-	-	-	-	231.99
Payment of dividend (Gross)	-	-	-	-	-	-	-	-	(361.18)	-	(361.18)
Balance as at March 31, 2025	**(4,242.23)**	**70.00**	**39.72**	**-**	**1,140.00**	**1,712.35**	**3,742.10**	**29.98**	**34,000.46**	**44.40**	**36,536.78**
Profit for the year	-	-	-		-	-	-	-	6,428.36	-	6,428.36
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	24.45	(5.00)	19.45
Transfer to equity share capital on exercise of options	-	-	-	-	-	3.27	-	(3.27)	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	-	0.61	-	-	-	-	0.61
Payment of dividend (Gross)	-	-	-	-	-	-	-	-	(729.22)	-	(729.22)
Treasury share acquired by ESOP Trust	-	-	-	(1,703.24)	-	-	-	-	-	-	(1,703.24)
Recognition of share based payments	-	-	-	-	-	-	-	295.30	-	-	295.30
Balance as at March 31, 2026	**(4,242.23)**	**70.00**	**39.72**	**(1,703.24)**	**1,140.00**	**1,716.23**	**3,742.10**	**322.01**	**39,724.05**	**39.40**	**40,848.04**

See accompanying notes 1-74 to the Standalone financial statements

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of
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Chief Financial Officer
Thane, May 26, 2026

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

1 CORPORATE INFORMATION

Fermenta Biotech Limited (Formerly Known as DIL Limited) ('the Company') (CIN - L99999MH1951PLC008485) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1913. Its shares are listed on the Bombay Stock Exchange.

The registered office of the Company is located at A- 1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) 400610. The Company is engaged in the business of manufacturing and marketing of chemicals, bulk drugs, enzymes, pharmaceutical formulations and environmental solution products and renting and selling of properties. The Company caters to both domestic and international markets. The Company also has strategic investments in subsidiaries primarily dealing in manufacturing and marketing bulk drugs.

The financial statements were approved for issue in accordance with a resolution of the board of directors on 26 May 2026.

2. MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance and basis of preparation

The Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards)Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupee (INR) and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

The financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in standalone financial statements.

2.2 Basis of measurement

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

(i) certain financial instruments that are measured at fair values at the end of each reporting period; and

(ii) defined benefit plan – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

a) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The Company has consistently applied accounting policies to all periods presented in these Standalone financial statements.

(b) Operating cycle and current/non-current classification

Based on the nature of products/activities of the Company and the normal time between acquisition of assets/liabilities and their realization/settlement in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(d) Foreign currencies

The Company's Standalone financial statements are presented in INR, which is also the Company's functional currency.

Functional and presentation currency

Management has determined the currency of the primary economic environment in which the entity resides in and operates as the functional currency. The functional currency of the Company is Indian Rupees (INR). The financial statements have been presented in INR, as it best represents the operating business performance and underlying transactions.

Foreign currency transactions

In preparing the standalone financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The related revenue and expense are recognized using the same exchange rate.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

(e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

(f) Employee Benefits

i) **Defined contribution plans:** The Company contributes towards state governed provident fund scheme, employee state insurance scheme (ESIC) and labour welfare fund to all applicable employees and superannuation scheme for eligible employees. The Company has no further payment obligations once the contributions have been paid. Hence payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

ii) **Defined benefit plan:** The employees' gratuity fund scheme represents the defined benefit plan. The cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of changes to the assets (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) net interest expenses or income; and

iii) remeasurement.

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service cost.

iii) Share-based payments:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 60.

(a) Includes impact of market performance conditions (e.g. entity's share price)

(b) Excludes impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and

(c) Excludes the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time)

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the "Share options outstanding account".

(iv) Short term and other long term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages, salaries and bonus in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long term employee benefits are actuarially measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(g) Treasury Shares

Treasury shares are the own equity instruments of the Company that are re-acquired by the Company. Treasury shares are recognised at cost and the par value of treasury shares is reduced from equity share capital whereas the difference between cost and par value is deducted from treasury shares held by ESOP trust under other equity. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Securities premium. Treasury shares are allotted towards exercise of share options.

(h) Income Taxes

Income Tax expense represents the sum of the tax currently payable and deferred tax.

i) **Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances

ii) **Deferred tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognized for all the deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

iii) **Presentation of current and deferred tax:**

Current and deferred tax are recognized in the profit and loss, except when they relate to items that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(i) Revenue recognition

The company derives revenue primarily from sale of manufactured chemicals, bulk drugs. Enzymes, pharmaceutical formulations, environmental solutions products and rental income and sale of investment property. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts offered by the company as part of the agreed contractual terms and excluding taxes or duties collected on behalf of the government. No element of financing is deemed present as majority of sales are on cash basis and credit sales are made with normal credit period consistent with market practice.

Sale of Goods/Investment Property:

The Company recognises revenue when it transfers control of a product or service to a customer. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer or delivery basis. Control is considered to be transferred to the customer:

- when the customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery,
- the customer has full discretion over the manner of distribution and price to sell the goods,
- the customer has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods.

  Revenue received in connection with sale of goods is deferred and recognized over the period in which it satisfies the performance obligation by transferring promised good or service to a customer.

Recognition of revenue from contractual projects

Revenue from contractual project is recognized over time, using an input method with reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

The Company recognizes revenue only when it can reasonably measure its progress in satisfying the performance obligation. Until such time, the Company recognizes revenue to the extent of cost incurred, provided the Company expects to recover the costs incurred towards satisfying the performance obligation.

When it is probable that total contract cots will exceed total contract revenue, the expected loss is recognized as an expense immediately when such probability is determined.

Rental income from investment in property

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Rendering of services:

Revenue from services rendered is recognised pro-rata over the period of the contract as the underlying services are performed.

Infrastructure support services, consists of maintenance of common area in the investment property and supply of essentials. Revenue from such services are recognised in accordance with the terms of the agreement entered into with individual lessees.

Transfer of Development Rights / Revenue from real-estate project:

The Company has entered a development arrangement (DA) with a developer for development of its land parcel currently held as Investment property. Under such arrangement, the Company's performance obligation is to grant development rights over land in exchange for an agreed share of constructed area in the developed project. Based on the terms of the arrangement and in lieu of Expert Advisory Committee (EAC) Opinion issued on Revenue Recognition in a Joint Development Arrangement under AS framework, the Company evaluates whether development agreement constitutes joint arrangement under Ind AS 111. The Company does not undertake construction activities and is not considered to be providing construction services to the developer. Accordingly, the arrangement does not give rise to a performance obligation towards the developer under Ind AS 115. Instead, the Company earns income through sale of its share of constructed units to third-party customers.

(a) Basis and Timing of Revenue Recognition - Revenue represents consideration from sale of the Company's share of constructed units to third-party customers. Revenue is recognised in accordance with Ind AS 115 at point in time, when control of the real estate unit is transferred to the customer which coincides with completion of the project determined basis receipt of Occupancy Certificate, handover of the possession to the customer, and receipt of entire sale proceeds and when other conditions are met.

(b) Measurement of Revenue – Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer for or sale of the Company's share of constructed units

(c) Advances from Customers - Amounts received from customers for sale of units prior to transfer of control are recognised as contract liabilities (advances from customers) and recognised as revenue when the recognition criteria are met.

Interest and dividend:

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Interest on income tax refund is recognised on receipt of refund order.

Dividend income is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.

Export Incentives:

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and net benefit / obligation is accounted by making suitable adjustments in raw material consumption.

The benefit under the Duty Drawback, Mercantile Export Incentive Scheme and other schemes as per the Import and Export policy in respect of exports made under the said schemes is included as 'Export Incentives' under the head "Other Operating Revenue" in the standalone statement of profit and loss and is accounted in the year of export.

Scrap Sales:

Sale of scrap is recognised at the time of satisfaction of performance obligation i.e. upon transfer of control of products to the customers which coincides with their delivery to customer.

Contract balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

Trade receivables

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in point (o) below.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

(j) Property, plant and equipment (PPE) including Capital work-in-progress (CWIP)

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated in balance sheet at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expense, as appropriate.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated useful life (in years)
Buildings	30-60
Lease hold improvements (included in buildings)	5-10 (Over the lease term)
Plant and equipment	5-20
Office Equipment (included in plant and equipment)	5-6
Computers (included in plant and equipment)	3-6
Furniture and fixtures	6-10
Vehicles	8

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work-in-progress) less their residual values on straight-line method over their useful lives as indicated in Part C of Schedule II of the Companies Act, 2013 and based on assessment / estimate made by management. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Capital work in progress comprises cost of property, plant and equipment (including related expenses),that are not yet ready for their intended use at the reporting date and it is carried at cost less accumulated impairment losses.

(k) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes) and subsequent sale as and when required. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Investment properties are depreciated using the straight-line method to allocate the cost of assets over their estimated useful lives. Investment properties generally have useful lives of 15–60 years. The useful lives have been determined based on technical evaluation performed by the management's expert.

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

(a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property

(b) commencement of development with a view to sale, for a transfer from investment property to inventories

(c) end of owner-occupation, for a transfer from owner-occupied property to investment property;

(d) commencement of an operating lease to another party, for a transfer from inventories to investment property

Sale of investment Property

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized and is recognized under revenue from operations.

Revenue pertaining to performance obligation pending as on the date of sale is deferred till the performance obligation is not completed.

The estimated useful lives of Investment property are as follows:

Assets	Estimated useful life (in years)
Building	60
Plant and equipment	15

(l) Intangible assets

(a) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from use or disposal. Any gain or loss arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in standalone statement of profit and loss when the assets is derecognised.

(b) Internally generated intangible assets - Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An Internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if and only if, all the below stated conditions are fulfilled:

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

(ii) its intention to complete the asset and use or sell it;

(iii) its ability to use or sell the asset;

(iv) how the asset will generate probable future economic benefits;

(v) the availability of adequate resources to complete the development and to use or sell the asset; and

(vi) the ability to measure reliably the expenditure attributable to the intangible asset during development.

The amount initially recognised for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible assets first meets the recognition criteria listed above. Where no internally-generated intangible assets can be recognised, development expenditure is recognised in the standalone statement of profit and loss in the period in which incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible as intangible assets that are acquired separately.

The estimated useful lives of intangible assets are as follows:

Assets	Estimated useful life (in years)
Computer software	3-6
Product know-how	3-5

(m) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the assets belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for a reasonable and consistent allocation basis to be identified.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (a Group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Company suitably adjusted for risks specified to the estimated cash flows of the asset.

For this purpose, a cash generating unit is ascertained as the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

If recoverable amount of an asset (or a cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or a cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the standalone statement of profit and loss.

(n) Impairment of goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Any impairment loss for goodwill is recognised directly in profit or loss and is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(o) Inventories

Basis of Valuation

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade and finished goods are measured at the lower of cost and net realisable value.

Method of Valuation

The cost of all categories of inventories is based on the weighted average method. Cost of raw materials and packing materials and stock-in-trade comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

(p) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value excluding trade receivables which is recorded at transaction cost. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial asset on initial recognition. Transaction costs directly attributable to the acquisition of financial assets as at fair value through profit or loss are recognised immediately in profit or loss. All regular way purchases or sales of financial assets are recognized or derecognized on a trade date basis. Regular way purchases or sales of financial assets are financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories -

(1) Debt instruments at amortised cost

(2) Debt instruments at fair value through other comprehensive income (FVTOCI)

(3) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

(4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(1) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income of the Statement of profit and loss. The losses arising from impairment are recognised in the Statement of profit or loss.

(2) Debt instrument at FVTOCI

A 'debt instrument' is measured as at FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the contractual terms of the instrument that give rise on specified dates to cash flows that are SPPI on the principal amount outstanding

b) Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognise interest income, impairment losses and reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(3) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(4) Equity Instruments

All equity Instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument including foreign exchange gain or loss, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

1) The contractual rights to receive cash flows from the asset have expired, or

2) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

   (a) The Company has transferred substantially all the risks and rewards of the asset, or

   (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement; in that case the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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 financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial assets, and guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchase or originated credit-impaired financial assets). The Company estimates cash flow by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within the 12-months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12months.

If the Company's measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risks has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Financial liabilities and equity instruments

Classification as debts or equity:

Debts and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue cost.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities:

Initial recognition and measurement:

All financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the issue of financial liabilities as at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts, issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit, or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit and loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Fair value is determined in the manner described in Note 55.

Financial liabilities at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments:

The Company enters a variety of derivative financial instruments to manage its exposure to interest rate, foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

(q) Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for Residential premises, Office Premises, Godown, Industrials land and Vehicle. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets and lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Also Refer Note 46.

In respect of short-term leases and leases of low-value assets, the Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Assets subject to such leases are presented under Investment Property. Rental income from operating leases is recognised on a straight-line basis over the lease term. This includes the impact of lease income arising from the fair value adjustment of refundable security deposits, where applicable. Costs associated with operating leases, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

(r) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows when the effect of the time value of money is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent assets are not recognized in the financial statements of the Company. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(s) Earnings per share

The Company presents basic and diluted earnings per share data for its equity shares.

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(t) Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of cash credit balances and bank overdrafts as they are considered an integral part of the Company's cash management.

(u) Operating segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments of the Company and accordingly is identified as the chief operating decision maker.

(v) Dividends

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(w) Use of estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Fair value measurement of financial instruments:

When the fair values of financials assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Useful lives of property, plant and equipment, investment property and intangible assets:

Property, plant and equipment, investment property and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time when the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Assets and obligations relating to employee benefits:

The employment benefit obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

Tax expense: [Refer Note 2(h) and Note 48]

The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, if any, including amount expected to be paid/recovered for uncertain tax positions. Further, significant judgement is exercised to ascertain amount of deferred tax asset (DTA) that could be recognised based on the probability that future taxable profits will be available against which DTA can be utilized and amount of temporary difference in which DTA cannot be recognised on want of probable taxable profits.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists

Valuation of investment property [Refer Note 59]

Impairment of tangible and intangible assets other than goodwill (Refer Note 2(m))

Impairment of Goodwill (Refer Note 2(n)

Provisions: (Refer Note 2(r)

Write down in value of inventories: (Refer Note 15)

(x) Business Combinations

Business combinations under common control are accounted in accordance with Appendix C of IND AS 103 as per the pooling of interest method, and the Ind AS Transition Facilitation Group Clarification Bulletin 9 (ITFG 9) and an EAC opinion issued. ITFG 9 clarifies that, the carrying values of assets and liabilities as appearing in the standalone financial statements of the entities being combined shall be recognised by the combined entity. Basis the EAC opinion, carrying values as appearing in the Standalone Financial Statements of the merged entities are considered for the preparation of these financial statements. When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Transfer of Business Undertaking under slump sale:

The Company accounts for the transfer of business division as a going concern on a slump sale basis to wholly owned subsidiaries as business combinations under common control

- all assets and liabilities belonging to the transferred undertaking are de-recognized from the standalone financial statements at their respective carrying values on the transfer date.
- No fair value adjustments are made, and no new assets or liabilities are recognized in the standalone books.

The difference between the consideration received and the net aggregate carrying value of the assets over liabilities is recognized as a direct gain or loss. This gain or loss is accounted in the Standalone Statement of Profit and Loss under Other Income.

(y) Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.

(z) Cashflow

Ind AS 7 requires an entity to exclude non-cash transaction relating to investing and financing activities from the statement of cash flow. However, such transactions should be disclosed elsewhere in the financial statements. The investing and financing activities in cash flow statement do not have a direct impact on current cash flows although they do affect the capital and asset structure of an entity. The company has disclosed these transactions, to the extent material in relevant notes.

Cash and cash equivalents consist of cash on hand and balances with banks which are unrestricted for withdrawal and usage.

(aa) Recent accounting pronouncements

Standard notified but not yet effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these new and amended standards, when they become effective.

Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants and Ind AS 10 Events after the Reporting Period

Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver granted before the financial statements were approved for issue of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event.

For annual reporting periods beginning on or after April 1, 2026, any breach of a covenant whether material or immaterial occurring on or before the reporting date will, in accordance with Ind AS 1, require the related liability to be classified as current, unless the lender has granted a waiver of the breach on or before the reporting date and has agreed not to demand repayment for at least 12 months after the reporting date as a consequence of the breach. Such a waiver shall be treated as an adjusting event.

The amendments are effective for annual reporting periods beginning on or after April 1, 2026 retrospectively in accordance with Ind AS 8.

3. Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Leasehold Improvements	Total
At cost or deemed cost as at April 01, 2024	**34.30**	**10,073.38**	**19,278.86**	**704.27**	**1,022.19**	**2,116.39**	**33,229.39**
Additions	-	29.85	393.01	0.50	46.80	375.16	845.32
Disposals	-	-	(44.07)	(7.47)	-	(1,900.27)	(1,951.81)
Balance as at March 31, 2025	**34.30**	**10,103.23**	**19,627.80**	**697.30**	**1,068.99**	**591.28**	**32,122.90**
Additions	-	552.07	704.70	51.46	95.44	-	1,403.67
Disposals	-	-	(10.70)	(0.24)	(33.47)	-	(44.41)
Transfer of assets under slump sale (Refer Note 72)	-	-	(21.44)	-	(7.23)	-	(28.67)
Balance as at March 31, 2026	**34.30**	**10,655.30**	**20,300.36**	**748.52**	**1,123.73**	**591.28**	**33,453.49**
Accumulated depreciation							
As at April 01, 2024	**-**	**1,754.90**	**6,516.49**	**451.24**	**377.57**	**486.84**	**9,587.04**
Depreciation expense	-	362.87	1,252.69	40.36	113.64	81.45	1,851.00
Disposals	-	-	(32.89)	(7.47)	-	(280.64)	(321.00)
Balance as at March 31, 2025	**-**	**2,117.77**	**7,736.29**	**484.13**	**491.21**	**287.65**	**11,117.04**
Depreciation expense	-	389.12	1,260.14	40.93	119.07	38.38	1,847.64
Disposals	-	-	(10.26)	(0.24)	(33.47)	-	(43.97)
Transfer of assets under slump sale (Refer Note 72)	-	-	(17.05)	-	(0.22)	-	(17.26)
Balance as at March 31, 2026	**-**	**2,506.89**	**8,969.12**	**524.82**	**576.60**	**326.03**	**12,903.45**
Carrying amount							
As at March 31, 2025	**34.30**	**7,985.46**	**11,891.51**	**213.17**	**577.78**	**303.63**	**21,005.86**
As at March 31, 2026	**34.30**	**8,148.41**	**11,331.24**	**223.70**	**547.13**	**265.26**	**20,550.04**

(Refer Notes 24 and 28-For details of assets pledged as security)

(Refer Note 43 for contractual commitments for the acquistion of Property, plant and equipment)

4. Capital work-in-progress (CWIP)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Project in progress	1,279.04	1,590.73
Projects temporarily suspended	-	-
Total	**1,279.04**	**1,590.73**

Movement of Capital work-in-progress

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening Balance	1,590.73	161.57
Addition during the year	3,112.48	2,274.48
Capitalised during the year	(3,424.17)	(845.32)
Total	**1,279.04**	**1,590.73**

CWIP mainly comprises of Capacity enhancement of Cholesterol, biotech facility, calcifediol project spray dryer capacity and other upgradation projects. Previous year mainly comprises of Multi level Car parking being constructed and other upgradation projects.

4. Capital work-in-progress (CWIP) *(Cont'd)*

Ageing of Capital work-in-progress (₹ in Lakhs)

Capital Work-in-progress (CWIP)	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2026					
Project in progress	**1,253.50**	**-**	**25.54**	**-**	**1,279.04**
Balance as at March 31, 2025					
Project in progress	1,565.19	25.54	-	-	1,590.73

CWIP completion schedule for project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2026 (₹ in Lakhs)

Project Overdue	To be completed in				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Reactor with Accessories for Saponification Process	25.54	-	-	-	25.54
Total	**25.54**	**-**	**-**	**-**	**25.54**

Projects cost consists of Accessories for Saponification process.

CWIP completion schedule for project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 (₹ in Lakhs)

Project Overdue	To be completed in				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Reactor with Accessories for Saponification Process	25.54	-	-	-	25.54
Total	**25.54**	**-**	**-**	**-**	**25.54**

5. Right of use assets

(₹ in Lakhs)

Particulars	Leasehold land	Buildings	Total
At Cost			
As at April 01, 2024	**1,055.85**	**1,054.39**	**2,110.24**
Additions	-	-	-
Disposals*	(839.88)	-	(839.88)
Balance as at March 31, 2025	**215.97**	**1,054.39**	**1,270.36**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2026	**215.97**	**1,054.39**	**1,270.36**
Accumulated depreciation			
As at April 01, 2024	**91.78**	**475.11**	**566.89**
Depreciation expenses	16.96	116.72	133.68
Disposals*	(49.55)	-	(49.55)
Balance as at March 31, 2025	**59.19**	**591.83**	**651.02**

5. Right of use assets *(Cont'd)*

Particulars	Leasehold land	Buildings	Total
Depreciation expense	9.84	116.72	126.56
Disposals	–	–	–
Balance as at March 31, 2026	**69.03**	**708.55**	**777.58**
Carrying amount			
As at March 31, 2025	**156.78**	**462.56**	**619.34**
As at March 31, 2026	**146.94**	**345.84**	**492.78**

(Refer Notes 24 and 28-For details of assets pledged as security)

(Refer Note 46 for lease)

*Disposal in previous year March 31, 2025, comprises of sale of Saykha land (Refer Note 70)

6. Investment property

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Total
At cost or deemed cost as at April 01, 2024	3.83	567.54	84.57	655.92
Additions	–	–	–	–
Disposal	(2.10)	(218.69)	(46.12)	(266.91)
Balance as at March 31, 2025	**1.73**	**348.85**	**38.45**	**389.03**
Additions	–	2,020.50	–	2,020.50
Disposal	(0.31)	(2,020.50)	–	(2,020.81)
Balance as at March 31, 2026	**1.42**	**348.85**	**38.45**	**388.72**
Accumulated depreciation				
As at April 01, 2024	**–**	**82.17**	**33.09**	**115.25**
Depreciation expense	–	12.27	3.99	16.26
Disposal	–	(24.10)	(37.08)	(61.18)
Balance as at March 31, 2025	**–**	**70.34**	**–**	**70.34**
Depreciation expense	–	4.75	5.28	10.03
Disposal	–	–	–	–
Balance as at March 31, 2026	**–**	**75.09**	**5.28**	**80.37**
Carrying amount				
As at March 31, 2025	**1.73**	**278.51**	**38.45**	**318.69**
As at March 31, 2026	**1.42**	**273.76**	**33.17**	**308.35**

(Refer Note 59 for investment properties)

6. Investment property *(Cont'd)*

Title deeds of immovable property not held in the name of the company,

Relevant line item in the Balance Sheet	Description of item of property*	Gross Value of property * (₹ In Lakhs)	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment property	Freehold land located at Village Takwe (Budruk), Tal – Maval District – Pune admeasuring **1.93** (3.68) Acres	**0.47** 0.78	Mr. Krishna Datla "held in trust" on behalf of the Company	Executive Vice- Chairman	Various date from December 27, 1992 to June 01, 1995	The plot of land is an agricultural land lying in the industrial zone and is required to be registered in individual names.
			Ms. Rajeshwari Datla "held in trust" on behalf of the Company	Non-Executive Director (relative of Executive Vice-Chairman)	Various date from December 27, 1992 to June 01, 1995	The plot of land is an agricultural land lying in the industrial zone and is required to be registered in individual names.

* Bold figures represents current year figures.

6A. Goodwill

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deemed cost	532.65	532.65
Accumulated impairment losses	(121.00)	(121.00)
Total	**411.65**	**411.65**

Goodwill recognised is persuant to shares acquisition by the Company of its subsidiary in the earlier years.

7. Other intangible assets

(₹ in Lakhs)

Particulars	Computer software	Product know-how	Total
At cost or deemed cost as at April 01, 2024	**393.10**	**1,443.76**	**1,836.86**
Additions	2.00	-	2.00
Disposal	-	-	-
Balance as at March 31, 2025	**395.10**	**1,443.76**	**1,838.86**
Additions	111.04	-	111.04
Disposals	-	-	-
Transfer of assets under slump sale (Refer Note 72)	(12.16)	-	(12.16)
Balance as at March 31, 2026	**493.98**	**1,443.76**	**1,937.74**

7. Other intangible assets *(Cont'd)*

Particulars	Computer software	Product know-how	Total
Accumulated amortisation			
As at April 01, 2024	**371.77**	**922.81**	**1,294.58**
Amortisation expense	13.14	303.20	316.34
Disposal	-	-	-
Balance as at March 31, 2025	**384.91**	**1,226.01**	**1,610.92**
Amortisation expense	8.65	100.75	109.40
Disposals	-	-	-
Transfer of assets under slump sale (Refer Note 72)	(12.16)	-	(12.16)
Balance as at March 31, 2026	**381.40**	**1,326.76**	**1,708.16**
Carrying amount			
As at March 31, 2025	**10.19**	**217.75**	**227.94**
As at March 31, 2026	**112.58**	**117.00**	**229.58**

8. Intangible assets under development

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Project in progress	31.93	-
Projects temporarily suspended	-	-
Total	**31.93**	**-**

Movement of intangible assets under development

Particulars	March 31, 2026	March 31, 2025
Opening Balance	-	-
Addition during the year	142.97	2.00
Capitalised during the year	(111.04)	(2.00)
Total	**31.93**	**-**

Ageing of Intangible assets under development :

Intangible assets under development	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2026					
Project in progress	**31.93**	-	-	-	**31.93**
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2025					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

There are no Intangible assets under development which are overdue or has exceeded its original cost / budget as at March 31, 2026

9A. Investments in subsidiaries - in equity instruments unquoted (Fully paid up) (At cost less impairment in the value of investments, if any)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
a) **Fermenta Biotech (UK) Limited**		
220,001 Equity Shares of G.B.Pound 1/- each.	183.99	183.99
Less: Impairment in the value of investment	(148.65)	(148.65)
	35.34	35.34
b) **Fermenta Biotech GmbH**		
1,000,000 Equity shares of Euro 1/- each.	831.21	831.21
Less: Impairment in the value of investment	(831.21)	(831.21)
	-	-
c) **Fermenta Biotech USA LLC**		
Contribution towards membership interest USD 1,600,000	1,184.72	1,184.72
Less: Impairment in the value of investment	(900.00)	(900.00)
	284.72	284.72
d) **Fermenta Environment Solutions Private Limited**		
80,00,000 Equity shares of ₹ 10/- each.	800.00	-
Total (a+b+c+d)	**1,120.06**	**320.06**
Aggregate amount of unquoted investments before impairment	**2,999.92**	**2,199.92**
Aggregate amount of impairment in value of investments	**1,879.86**	**1,879.86**

9B. Investment in associate - In equity instruments Unquoted (Fully paid up) (At cost less impairment in value of investments, if any)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Health and Wellness India Private Limited		
30,12,504 Equity shares of ₹ 10/- each.	475.00	475.00
Less: Impairment in the value of investment	(475.00)	(475.00)
Total	**-**	**-**
Aggregate amount of unquoted investments before impairment.	**475.00**	**475.00**
Aggregate amount of impairment in value of investments.	**475.00**	**475.00**

9C. Investments (non-current) Investment in other entities - in equity instruments:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(i) Unquoted Investments (all fully paid up)		
Investments in equity instruments at FVTOCI		
a) Shivalik Solid Waste Management Limited		
20,000 Equity shares of ₹ 10/- each.	4.11	4.11
b) Zela Wellness Private Limited		
58,048 Equity shares of ₹ 10/- each.	126.52	126.52
Less: Impairment in the value of investment	(126.52)	(126.52)
	-	-
c) Island Veerchemie Investments		
12 Equity shares of ₹ 15,000/- each.	1.80	1.80
Total aggregate unquoted investments (A)	5.91	5.91
(ii) Quoted Investment (all fully paid)		
Investment in equity instruments at FVTOCI		
Abbott India Limited		
139 Equity shares of ₹ 10/- each.	36.03	42.72
Total aggregate quoted investments (B)	36.03	42.72
Total Non-current investments (A+B)	**41.94**	**48.63**
Aggregate carrying value of unquoted investments before impairment	**132.43**	**132.43**
Aggregate amount of quoted investments and market value thereof	**36.03**	**42.72**
Aggregate amount of impairment in value of investments	**126.52**	**126.52**

10. Share application money

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Health and Wellness India Private Limited	309.86	309.86
Less: Impairment in the value of share application money	(309.86)	(309.86)
Total	-	-

11. Loans (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Loan to employees - unsecured (considered good)	12.00	21.78
Inter corporate deposit - D.K.Biopharma Private Limited - unsecured (considered good)*	100.00	-
Inter corporate deposit - unsecured (considered doubtful) (Refer Note 42)	37.00	37.00
Less : Allowance for doubtful inter corporate deposit	(37.00)	(37.00)
Loan to Subsidiaries - unsecured (considered good)** (Refer Note 42)	2,206.08	726.43
Total	**2,318.08**	**748.21**

*The inter-corporate deposit(ICD) amounting to ₹ 100.00 Lakhs was granted on March 31, 2024 for 2 years and due March 31, 2026, which has been further extended for additional two years i.e till March 31, 2028. ICD carries interest rate of 9% p. a. and has been granted for business purpose.

** Loan given to Fermenta Biotech USA LLC amounting to USD 8,50,000 (INR 806.08 lakh) for business purposes at interest rate of USD 5% p.a. for period of 140 months and is due on February 1, 2033 and to Fermenta Environment Solutions Private Limited amounting to ₹ 1400.00 lakh for business purposes at interest rate 9.25% p.a for period of 60 months due on September 30 , 2030.

11. Loans (Non-current) *(Cont'd)*

As at March 31, 2026 (₹ in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Related Parties			
Aggregate of loans/advances in nature of loans	-	-	-
- Repayable on demand (A) (Refer Note 11 and Note 20)	501.22	-	501.22
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total	**501.22***		**501.22***
Percentage of loans/advances in the nature of loans to the total loans (Refer Note [a])	17.76%		17.76%

* The amounts reported are at gross amounts, without considering provisions made.

As at March 31, 2025 (₹ in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Related Parties			
Aggregate of loans/advances in nature of loans	-	-	-
- Repayable on demand (A) (Refer Note 21 and Note 19)	1,408.36	-	501.22
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total	**1,408.36***		**501.22***
Percentage of loans / advances in the nature of loans to the total loans (Refer Note [a])	62.11%		22.10%

* The amounts reported are at gross amounts, without considering provisions made.

[a] Total Amount Outstanding:

(₹ in Lakhs)

Amount outstanding as at year end	March 31, 2026	March 31, 2025
Health and Wellness India Private Limited - (Associate) (Refer Note 11)*	37.00	37.00
Fermenta Biotech USA LLC - (wholly owned subsidiary) (Refer Note 11)	806.08	726.43
Fermenta Environment Solutions Private Limited - (wholly owned subsidiary) (Refer Note 11)	1,400.00	-
Inter Gest Germany GmbH - (Others)*	-	907.14
D.K.Biopharma Private Limited - (Others) (Refer Note 19)	100.00	100.00
Expenses Recoverable from Related Party (Refer Note 20)*	464.22	464.22
Loan to Employee	14.50	32.80
Total (Gross)	**2,821.80**	**2,267.59**
*Provided	501.22	1,408.36
Maximum amount outstanding during the year		
Health and Wellness India Private Limited - (Associate)	37.00	37.00
Fermenta Biotech USA LLC - (wholly owned subsidiary)	806.08	726.43

11. Loans (Non-current) *(Cont'd)*

Fermenta Environment Solutions Private Limited - (wholly owned subsidiary)	1,400.00	-
Inter Gest Germany GmbH- (Others)	763.04	907.14
D.K.Biopharma Private Limited - (Others)	100.00	455.00
Expenses Recoverable from Related Party (Refer Note 20)	464.22	464.22

12. Other financial assets (Non current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Security deposits - unsecured (considered good)	364.11	327.22
Bank deposits with remaining maturity of more than 12 months*	10.04	21.23
Interest accrued but not due from banks - unsecured (considered good)	0.65	3.04
Others **	158.24	151.43
Total	**533.04**	**502.92**
*Deposits held under lien by bank against guarantees and other commitments with :		
- Yes Bank Limited	0.50	-
- Union Bank of India	8.50	21.23

**Others includes - Group Gratuity and Superannuation balances.

13. Non-current tax assets (net)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Advance income-tax	31.25	186.80
Total	**31.25**	**186.80**

14. Other assets (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Capital advances		
Considered good(unsecured)	70.91	15.89
Considered doubtful (unsecured)	19.01	40.79
Less: Allowance	(19.01)	(40.79)
	-	-
Deferred rent	4.87	8.18
Balance with government authorities – considered good	3.75	3.75
Prepaid expenses	21.80	25.70
Total	**101.33**	**53.52**

15. Inventories

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(At lower of cost and net realisable value)		
Raw materials and packing materials (includes stock in transit of ₹ 551.93 Lakhs) (as at March 31, 2025: ₹ 655.35 Lakhs)	4,384.71	3,251.26
Work-in-progress (includes stock in transit of ₹122.13 Lakhs) (as at March 31, 2025: ₹ Nil)	6,294.28	4,034.64
Finished goods (includes stock in transit of ₹ 130.23 Lakhs) (as at March 31, 2025: ₹ Nil)	1,144.98	933.64
Stores and spares (includes stock in transit of ₹ 8.04 Lakhs) (as at March 31, 2025: ₹ Nil)	1,241.59	1,228.28
Total	**13,065.56**	**9,447.82**

Notes :

(i) Inventory write downs are provided considering the nature of inventory, ageing, liquidation plan and net realisable value. During the year ended March 31, 2026 ₹ 424 Lakhs (as at March 31, 2025 ₹ 308 Lakhs) was recognised as an expense under changes in inventories of finished goods, stock-in-trade and work-in-progress, inventories carried at net realisable value. Further reversal of earlier provision created amounting to ₹ 1,024 lakhs (March 31, 2025 ₹414 lakh) was made basis actual consumption of provided inventory in current and previous year. During the year net credit recorded in Profit and loss statement amounts to ₹ 600 lakhs (March 31, 2025 of ₹ 106 lakhs).

(ii) Inventories have been hypothecated as security against certain bank borrowings, details relating to which has been described in Note 24 and Note 28.

(iii) During the year, inventory transferred on account of transfer of business to subsidiary - on 'slump – sale' basis ₹ 19.07 lakhs (Refer Note 72).

16. Trade receivables (unsecured)

(₹ in Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Non-current	Current	Non-current	Current
Undisputed Trade receivables – considered good	-	13,720.56	1,296.01	12,020.90
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	2,930.90	2,315.81	406.61
Disputed Trade Receivables – considered good	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
Disputed Trade Receivables – credit Impaired	-	-	-	-
	-	**16,651.46**	**3,611.82**	**12,427.51**
Less : Allowance for credit impaired Trade Receivables	-	(2,930.90)	(2,315.81)	(406.61)
Total	**-**	**13,720.56**	**1,296.01**	**12,020.90**

16. Trade receivables (unsecured) *(Cont'd)*

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Movement in the expected credit loss allowance		
Balance at the beginning of the year	2,722.42	2,766.75
Addition during the year	346.22	-
Written off / Reversal during the year	(137.74)	(44.33)
Balance at the end of the year	**2,930.90**	**2,722.42**

Trade receivables are carried at amortised cost.

Trade receivables are non-interest bearing and generally on terms of 60-90 Days.

No trade and other receivables are due from directors or other officer of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which director is a partner, a director or member. For trade receivables outstanding from related parties - (Refer Note 42).

For explanation on the credit risk management process (Refer Note 57).

Ageing of trade receivables : as at March 31, 2026

(₹ in Lakhs)

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	6,817.59	5,754.81	1,148.16	-	-	-	13,720.56
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	239.43	20.98	2,670.49	2,930.90
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-	-
Total	**6,817.59**	**5,754.81**	**1,148.16**	**239.43**	**20.98**	**2,670.49**	**16,651.46**

There are no unbilled receivables as on balance sheet date.

16. Trade receivables (unsecured) *(Cont'd)*

Ageing of trade receivables : as at March 31, 2025 (₹ in Lakhs)

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,863.54	5,766.70	1,300.88	252.80	569.36	563.63	13,316.91
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	53.22	16.80	2,652.40	2,722.42
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-	-
Total	**4,863.54**	**5,766.70**	**1,300.88**	**306.02**	**586.16**	**3,216.03**	**16,039.33**

There are no unbilled receivables as on balance sheet date.

17. Cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balances with banks		
In current accounts	857.08	1,828.29
Cash on hand	30.89	21.23
Total	**887.97**	**1,849.52**

18. Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balances with banks		
In Unpaid Dividend accounts	24.40	19.02
In escrow account**	783.18	-
In deposit accounts with original maturity for more than 3 months but less than 12 months*	106.67	4,326.92
Total	**914.25**	**4,345.94**

*This includes deposits held under lien by bank against guarantees and other commitments amounting to ₹ 89.02 Lakhs (as at March 31, 2025: ₹103.90 Lakhs)

**Amount received against booking of under construction residential flats developed under Development Agreement entered with Mextech Property Developer LLP.

19. Loans (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Unsecured, considered good		
Inter corporate deposits		
D.K.Biopharma Private Limited (Refer Note 11)	-	100.00
Loans to employees	2.50	11.03
Total	**2.50**	**111.03**

20. Other financial assets (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Interest accrued but not due		
On fixed deposits from banks	210.76	37.76
Unsecured, considered good		
Expenses recoverable from related parties *	464.22	464.22
Less: Allowance for doubtful recoverable	(464.22)	(464.22)
In deposit accounts with original maturity more than 12 months but remaining maturity less than 12 months at reporting date**	5,075.44	-
Interest receivable on loan given to subsidiary	9.87	8.96
Receivable against transfer of leasehold land held at Saykha (Refer Note 70)	-	1,481.04
Others		
Secured, considered good	31.77	-
Unsecured, considered good	5.91	18.96
Total	**5,333.75**	**1,546.71**

* Expenses recoverable are incurred on behalf of subsidiary Fermenta Biotech Gmbh.

**This includes deposits held under lien by bank against guarantees and other commitments amounting to ₹ 48.69 Lakhs (as at March 31, 2025: ₹ Nil Lakhs)

21. Other current assets

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Advance for supply of goods and services		
Considered good	725.45	920.35
Considered doubtful	6.50	907.14
Less: Allowance for doubtful advances	(6.50)	(907.14)
	725.45	920.35
Deferred rent	20.16	18.33
Prepaid expenses	357.61	188.67
Export incentive receivables		
Considered good	44.40	12.95
Balances with government authorities	871.67	701.24
Others	6.74	4.04
Total	**2,026.03**	**1,845.58**

21. Other current assets *(Cont'd)*

Movement in the Allowance for doubtful advances

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	907.14	913.42
Addition during the year	20.84	34.06
Written off during the year	(14.34)	(34.06)
Reversal during the year (Refer Note 69)	(907.14)	(6.28)
Balance at the end of the year	**6.50**	**907.14**

22. Equity share capital

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Authorised		
6,35,00,000 Equity shares of ₹ 5/- each (as at March 31, 2025- 6,35,00,000 Equity shares of ₹ 5/- each)	3,175.00	3,175.00
1,60,000 Unclassified shares of ₹ 5/- each (as at March 31, 2025 - 1,60,000 Unclassified shares of ₹ 5/- each)	8.00	8.00
	3,183.00	**3,183.00**
Issued, subscribed and fully paid-up		
2,94,30,987 Equity shares of ₹ 5/- each (as at March 31, 2025 - 2,94,30,987 Equity shares of ₹ 5/- each)	1,471.55	1,471.55
Less: 7,60,299 Equity shares held by FBL ESOP Trust (as at March 31, 2025 - 2,62,011 Equity shares held by FBL ESOP Trust) [Refer note (d) below]	(38.02)	(13.10)
Total	**1,433.53**	**1,458.45**

a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2026		March 31, 2025	
	No. of Equity Shares	₹ In Lakhs	No. of Equity Shares	₹ In Lakhs
At the beginning of the year	29,168,976	1,458.45	28,874,107	1,443.71
Purchase of shares from market by ESOP Trust	(499,064)	(24.96)	-	-
Issue of shares pursuant to employee stock option exercise	776	0.04	294,869	14.74
At the end of the year	**28,670,688**	**1,433.53**	**29,168,976**	**1,458.45**

b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	March 31, 2026		March 31, 2025	
	No. of Equity Shares	% Holding	No. of Equity Shares	% Holding
Mr. Krishna Datla	10,606,043	36.04%	10,606,043	36.04%
Mr. Satish Varma	3,453,325	11.73%	3,453,325	11.73%
Mrs. Anupama Datla Desai	2,561,265	8.70%	2,561,265	8.70%
Mrs. Preeti Thakkar	2,240,376	7.61%	2,240,376	7.61%

21. Other current assets *(Cont'd)*

c) Rights, preferences and restrictions

The Company has issued only one class of equity shares having par value of ₹ 5/- per share (March 31, 2025; - ₹ 5/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays the dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to shareholders' approval in the ensuing Annual General Meeting, except in case of interim dividend.

During the year, the Board of directors have declared final dividend of 75% (₹3.75 per equity share of ₹ 5/- each) for the financial year 2025-26. (Refer Note 58)

During the previous year, the Board of directors had declared final dividend of 50% (₹ 2.50 per equity share of ₹ 5/- each) for the financial year 2024-25 which has been paid during the year 2025-26. (Refer Note 58)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

d) FBL ESOP Trust

The Company has implemented an Employee Stock Option Scheme, namely Fermenta Biotech Limited – Employee Stock Option Scheme, 2019 (ESOP 2019), pursuant to the Scheme of Amalgamation of the erstwhile Fermenta Biotech Limited with the Company. During the current year, the Company also introduced a new Employee Stock Option Scheme, 2025 (ESOP 2025). The equity shares underlying the above employee stock option schemes are held by the FBL ESOP Trust (Refer Note 60).

Particulars	March 31, 2026	March 31, 2025
	No. of Equity Shares	No. of Equity Shares
Outstanding at the beginning of the year	262,011	556,880
Equity Shares purchased by Trust form market pursuant to ESOP 2025	499,064	-
Issue of shares pursuant to exercise of Employee Stock Option	(776)	(294,869)
Outstanding at the end of the year	**760,299**	**262,011**

e) Details of Shares held by promoters at the end of the year

Name of the promoters	March 31, 2026		March 31, 2025		% change during the year
	No. of Equity Shares	% Holding	No. of Equity Shares	% Holding	
Mr. Krishna Datla	10,606,043	36.04%	10,606,043	36.04%	0.00%
Mr. Satish Varma	3,453,325	11.73%	3,453,325	11.73%	0.00%
Mrs. Anupama Datla Desai	2,561,265	8.70%	2,561,265	8.70%	0.00%
Mrs. Preeti Thakkar	2,240,376	7.61%	2,240,376	7.61%	0.00%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2026

23. Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus									Items of other comprehensive income	Total
	Unrealised (loss) on dilution	Capital redemption reserve	Capital reserve pursuant to amalgamation	Treasury Shares held by ESOP Trust	Capital reserve	Securities premium	General reserve	Share options outstanding account	Retained earnings	Equity instruments through OCI	
Balance as at April 01, 2024	(4,242.23)	70.00	39.72	-	1,140.00	236.89	3,742.10	1,273.45	27,679.83	39.14	29,978.90
Profit for the year	-	-	-	-	-	-	-	-	6,761.54	-	6,761.54
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	(79.73)	5.26	(74.47)
Transfer to equity share capital on exercise of options	-	-	-	-	-	1,243.47	-	(1,243.47)	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	-	231.99	-	-	-	-	231.99
Payment of dividend (Gross)	-	-	-	-	-	-	-	-	(361.18)	-	(361.18)
Balance as at March 31, 2025	**(4,242.23)**	**70.00**	**39.72**	**-**	**1,140.00**	**1,712.35**	**3,742.10**	**29.98**	**34,000.46**	**44.40**	**36,536.78**
Profit for the year	-	-	-	-	-	-	-	-	6,428.36	-	6,428.36
Other comprehensive income /(loss) for the year	-	-	-	-	-	-	-	-	24.45	(5.00)	19.45
Transfer to equity share capital on exercise of options	-	-	-	-	-	3.27	-	(3.27)	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	-	0.61	-	-	-	-	0.61
Recognition of share based payments	-	-	-	-	-	-	-	295.30	-	-	295.30
Payment of dividend (Gross)	-	-	-	-	-	-	-	-	(729.22)	-	(729.22)
Treasury share acquired by ESOP Trust	-	-	-	(1,703.24)	-	-	-	-	-	-	(1,703.24)
Balance as at March 31, 2026	**(4,242.23)**	**70.00**	**39.72**	**(1,703.24)**	**1,140.00**	**1,716.23**	**3,742.10**	**322.01**	**39,724.05**	**39.40**	**40,848.04**

23. Other equity *(Cont'd)*

Description of nature and purpose of each reserve

Unrealised gain/(loss) on dilution: This reserve represents unrealised gain/(loss) due to change in the shareholdings in a subsidiary.

Capital redemption reserve : This reserve was created for redemption of preference shares of ₹ 70.00 lakhs in the financial year 2010-2011.

Capital reserve pursuant to amalgamation : Reserve created pursuant to amalgamation of 2 subsidiaries and Holding company.

Treasury shares held by ESOP trust : The Company has created a trust, namely "FERMENTA BIOTECH LIMITED ESOP Trust" (ESOP Trust) for providing sharebased payments to its employees. The Company uses this Trust as a vehicle for distributing shares to employees covered under Scheme. The Trust buys shares of the Company from the market, for giving shares to employees under the Employees Stock Option Schemes.

Capital reserve: Capital reserve was created in the financial years 1995-96 and 1996-97 pursuant to sale of the Company's brands for which non compete fees were received and treated as a capital receipt.

General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Securities premium: The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

Share options outstanding account : The fair value of the equity settled share based payment transactions is recognised to share options outstanding account.

Retained earnings: Retained earnings are the profits/(loss) that the company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Equity instruments through other comprehensive income: This represents the cumulative gains / losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

24. Borrowings

(₹ in Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Non Current	Current	Non Current	Current
Secured				
Term loans				
From banks				
For Kullu facility [Refer note below (a)]	689.04	826.85	1,280.72	698.57
For Dahej facility [Refer note below (b)]	-	-	-	275.86
For Vehicles [Refer note below (c)]	46.61	94.93	142.61	137.82
For WCTL [Refer note below (d)]	-	-	-	171.89
For Dahej facility [Refer note below (e)]	54.29	27.15	81.43	27.15
	789.94	**948.93**	**1,504.76**	**1,311.29**
Amount disclosed under the head "Borrowings (Current)" (Refer Note 28)	-	(948.93)	-	(1,311.29)
Total	**789.94**	**-**	**1,504.76**	**-**

Notes

a) Term loan is taken from HDFC Bank Limited for financing the capital expenditure for Premix Plant at Kullu with interest rate EURIBOR plus 3.0% (Average effective rate 5.60%), (previous year effective rate is 6.25%) repayable in 60 equal monthly instalments starting from Feb-2023. The said loan is secured by first pari-passu charge on the project , first pari pasu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks.

b) Term loan is taken from HDFC Bank Limited for financing the capital expenditure for Plant 4 at Dahej SEZ with interest rate EURIBOR plus 3.9% (effective rate 3.9%), (previous year effective rate is 3.9%) repayable in 16 equal quarterly instalments starting from July 2021. The said loan is secured by first pari-passu charge on the project, first pari pasu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks. Effective rate is 3.9% on account of Interest rate swap agreement entered by the company. The said loan has been repaid during the year. Since the loan is repaid, Company is in the process of releasing the charge created against such assets.

c) i) Vehicle loans taken from HDFC Bank Limited against hypothecation of the vehicles purchased, repayable in 60 monthly instalments starting from Aug-2020, to Sep-2021 with average interest rates in the range of 7.65% to 8.21%, (previous year at 7.65% to 8.45%). Two of the Vehicle loans from HDFC Bank has been repaid during the year.

ii) Vehicle loans taken from the Bank of Baroda Limited against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jan-2021 to May-2021 with average interest rates in the range of 8.65% to 9.58%, (previous year at 9.65% to 9.85%). One of the Vehicle loans from Bank of Baroda has been repaid during the year

iii) Vehicle loan is taken from the Union Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jan-2022 to Oct-2022 with average interest rates in the range of 8.34% to 9.50% (previous year in the range of 8.34% to 9.50%)

iv) Vehicle loan is taken from the Yes Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jun-2023 with average interest rates 9.17% , (previous year in the range of 9.18%)

d) Working Capital Term Loan is taken from Union Bank of India for business purpose with effective interest rate 9.48% (previous year effective rate is 9.25%) repayable in 48 equal monthly instalments starting from December, 2023. The said loan is secured by first pari-passu charge on hypothecation of stocks, book debts and and by equitable mortgage with Yes Bank limited and HDFC Bank Limited of factory land and buildings at Dahej and Kullu and all moveable property, plant and equipments of the Company and second charge on the existing securities of the company except plant 4 at Dahej and Premix Plant at Kullu. The said loan has been repaid during the year. Since the loan is repaid, Company is in the process of releasing the charge created against such assets.

e) Term loan is taken from HDFC Bank Limited for financing the capital expenditure at Dahej SEZ with average interest rate 9.90% (Previous year effective rate is 9.75%) repayable in 28 equal quarterly instalments starting from Apr 2022. The said loan is secured by first pari-passu charge on the project , first pari pasu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively Mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks.

25. Other financial liabilities (Non- current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deposits from tenants	279.83	257.50
Deposits from Developer (Refer Note 62) *	1,392.07	1,404.96
Total	**1,671.90**	**1,662.46**

* Reclassified from other current liabilities to Other financial liabilities (Non current)

26. Provisions (Non- current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits		
Gratuity [Refer Note 47 (c)]	630.70	413.83
Compensated absences	388.38	366.76
Total	**1,019.08**	**780.59**

27. Other liabilities (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deferred revenue*	7.89	16.22
Total	**7.89**	**16.22**

*Discounting on Security Deposit received from tenants.

28. Borrowings (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Loans repayable on demand		
From banks (Secured)		
Cash credit and Bank overdraft	1,751.79	2,161.17
Packing credit	3,254.89	2,964.75
Short term Working capital loan	4,143.01	2,998.07
From banks (Secured)		
Current maturities of long-term debts (Refer Note 24)	948.93	1,311.29
Total	**10,098.62**	**9,435.28**

Packing credit, cash credit Loan from Union Bank of India, are secured by first pari-passu charge on hypothecation of stocks, book debts and and by equitable mortgage with Yes Bank limited and HDFC Bank Limited of factory land and buildings at Dahej and Kullu and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for packing credit in foreign currency is 6.00% to 6.50% (EURO PCFC - EURIBOR+3.10%, USD PCFC - 6M LIBOR+3.10%) and average interest rate for cash credit is 10.82 %.

Packing credit and cash credit Loan from Yes Bank Limited is secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and HDFC Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for packing credit in foreign currency is 6.00%. and average interest rate for cash credit is EBLR + 4% (from 10.40% to 11.50%)

Packing credit Loan from HDFC Bank Limited is secured by first pari-passu charge on current assets, exclusive charge on assets of plant 4 at Dahej and Premix Plant at Kullu, moveable property, plant and equipment of the Company and equitable mortgage of factory land

28. Borrowings (Current) *(Cont'd)*

and buildings at Dahej and Kullu with Union Bank of India and Yes Bank Limited (excluding the plant and building financed through term loan from Union Bank of India and Yes Bank Limited).The average interest rate for packing credit in foreign currency is 6.50%.

Short term working capital loan includes Working Capital Demand Loan from Yes Bank Limited secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and HDFC Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. It also includes Working Capital Demand Loan from HDFC Bank Limited secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and Yes Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for Working Capital Demand Loan from Yes Bank is in range of 9.05% to 9.55% and Working Capital Demand Loan from HDFC Bank Limited is 9.05%.

29. Trade payables (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Total outstanding dues of micro and small enterprises (Refer Note 52)	208.25	387.86
Total outstanding dues of creditors other than micro and small enterprises	6,142.39	6,040.13
Disputed dues of micro and small enterprises	-	-
Disputed dues of creditors other than micro and small enterprises	-	-
Total	**6,350.64**	**6,427.99**

Ageing of trade payables: as at March 31, 2026

Particulars	Unbilled	Not due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of MSME	-	198.50	9.75	-	-	-	208.25
Dues of creditors other than MSME	2,018.10	2,677.65	1,433.89	4.06	-	8.69	6,142.39
Disputed dues of MSME	-	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-	-
Total	**2,018.10**	**2,876.15**	**1,443.64**	**4.06**	**-**	**8.69**	**6,350.64**

Ageing of trade payables: as at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of MSME	-	-	387.54	0.32	-	-	387.86
Dues of creditors other than MSME	1,741.13	2,851.38	1,404.00	8.46	34.06	1.10	6,040.13
Disputed dues of MSME	-	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-	-
Total	**1,741.13**	**2,851.38**	**1,791.54**	**8.78**	**34.06**	**1.10**	**6,427.99**

30. Other financial liabilities (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deposits from tenants	0.50	0.70
Interest accrued but not due on borrowings	47.89	33.59
Payable to employees / directors	234.12	225.24
Liability for capital expenditure	372.27	111.04
Derivatives not designated as hedge.	38.81	41.61
Unclaimed dividend	24.40	19.02
Total	**717.99**	**431.20**

31. Other current liabilities

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deferred Revenue		
Advance from customers	1,385.38	766.23
Deferred revenue*	-	1,792.50
Deferred rent	6.71	6.71
Statutory dues	157.85	160.90
Others	90.79	90.78
Total	**1,640.73**	**2,817.12**

*The deferred revenue pertains to the obligation to provide MLCP(Multi-Level Car Parking) as part of bundled floor space sales made till March 31, 2025. In the current year Company has completed the construction of such MLCP and has recorded revenue net of corresponding cost as Profit on sale of Investment and property in Note 34.

Breakup of Revenue and Cost recorded is as follows:

(₹ in Lakhs)

Opening deferred reveune	1,792.50
Addition during the year	228.00
Total	**2,020.50**
Reveune recognised (including deferred reveune)	2,020.50
Cost recognised	(2,020.50)
Total	**-**

32. Provisions (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits		
Compensated absences	97.58	72.70
Total	**97.58**	**72.70**

33. Current tax liabilities (net)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Provision for income tax	115.28	441.05
Total	**115.28**	**441.05**

34. Revenue from operations

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Revenue from contracts with customers	43,722.26	37,208.06
Rent Income (Refer Note 59)	180.54	291.26
Amortised deferred rent (Refer Note 59)	6.71	56.81
Service income (infrastructure support services to tenants) (Refer Note 59)	480.52	491.18
Sale of services (environment solution services)	284.96	309.65
Sale of Investment property (net) (Refer Note 59)	162.89	4,457.88
Other operating revenues		
Export incentive	157.53	130.42
Scrap sales	29.86	23.06
Others	-	84.85
Total	**45,025.27**	**43,053.17**

(Refer Note 71 for additional details, Refer Note 42)

35. Other income

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Interest income on financial assets carried at amortised cost:		
Bank deposits	349.96	116.66
Other financial assets (Refer Note 42)	214.54	195.36
	564.50	**312.02**
Dividend income on investment in equity instruments designated as at fair value through other comprehensive income	86.40	90.97
Foreign exchange gain (net)	1,041.61	460.52
Profit on transfer of business to subsidiary (Refer Note 72)	41.31	-
Income from Support Services (Refer Note 42)	30.00	-
Net gain on fair value changes of derivatives at Fair Value Through Profit and Loss	2.80	0.90
Insurance claims*	275.05	178.50
Gain on sale / write off, of property, plant and equipment (net)	10.49	-
Liabilities / provisions no longer required written back:		
From Trade receivables	27.77	24.78
From Others	309.95	98.59
	337.72	**123.38**
Miscellaneous income	0.01	1.50
Total	**2,389.89**	**1,167.78**

*Insurance claim received against claim made by company for losses caused due to floods for inventory and other assets in July 2023. Company has received full and final settlement of such claims and ₹ 275.05 lakhs (March 31, 2025 ₹ 178.50 lakhs) has been recognised as income.

36. Cost of materials consumed

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Inventories of raw materials / packing materials at the beginning of the year	3,251.26	2,687.23
Add : Purchases	17,790.44	14,278.48
Less : Inventories of raw materials / packing materials at the end of the year	4,384.71	3,251.26
Total	**16,656.99**	**13,714.45**

37. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Inventories at the end of the year		
Work-in-progress	6,294.28	4,034.64
Finished goods	1,144.98	933.64
	7,439.26	**4,968.28**
Inventories at the beginning of the year		
Work-in-progress	4,034.64	3,358.82
Finished goods	933.64	850.50
	4,968.28	**4,209.32**
Total	**(2,470.98)**	**(758.96)**

38. Employee benefits expense

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Salaries and wages	6,016.54	5,124.67
Contribution to provident and other funds [Refer Note 47]	331.49	271.12
Gratuity expense [Refer Note 47(d)]	88.30	75.04
Share based payments to employees [Refer Note 60]	295.30	-
Staff welfare expenses	682.20	538.86
Total	**7,413.83**	**6,009.69**

39. Finance costs

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Interest on		
Term loans	134.28	338.16
Loans repayable on demand	731.09	681.66
Liabilities carried at amortised cost (Unwinding of interest)	6.03	141.81
Lease liabilities (Refer Note 46)	39.56	47.36
Others	109.40	109.91
Other borrowing costs	128.08	101.02
Total	**1,148.44**	**1,419.92**

40. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Depreciation on property, plant and equipment (Refer Note 3)	1,847.64	1,851.00
Depreciation on right-of-use assets (Refer Note 5)	126.56	133.68
Depreciation of investment property (Refer Note 6)	10.03	16.26
Amortisation of intangible assets (Refer Note 7)	109.40	316.34
Total	**2,093.63**	**2,317.29**

41. Other expenses

(₹ in Lakhs)

Particulars		March 31, 2026		March 31, 2025
Stores and spare parts consumed		1,709.96		1,608.99
GST expenses for which credit cannot be availed		223.12		196.74
Contract labour charges		864.78		679.66
Power and fuel		2,852.02		2,674.69
Repairs and maintenance				
Buildings		135.03		501.54
Plant and machinery		278.86		439.47
Others		1,568.87		1,654.38
Water charges		60.56		48.72
Advertising and sales promotion		666.86		433.53
Freight and forwarding charges		775.68		527.17
Commission on sales		191.67		145.23
Rent (including lease rentals)		70.97		44.04
Insurance		277.46		305.21
Rates and taxes		383.87		298.89
Expected Credit Loss for doubtful debts (net) on trade receivables		346.22		78.91
Expected Credit loss on loans and advances	14.34		132.18	
Less: Expected Credit reversal due to write off	-	14.34	(98.12)	34.06
Travelling and conveyance		861.58		611.53
Professional and legal fees		839.31		687.90
Payment to auditors (Refer Note 44)		79.46		59.54
Postage and telephone		37.26		36.84
Printing and stationery		68.62		56.20
Security Expenses		89.50		83.47
Staff recruitment expenses		50.90		52.05
Bank charges		89.09		63.92
Brokerage Charges		56.62		281.77
Analytical Charges		190.94		46.35
Loss on sale/ write off, of property, plant and equipment		-		496.02
Corporate social responsibility expenses (Refer Note 51)		73.65		43.62
Directors sitting fees (Refer Note 42)		49.20		41.40
Miscellaneous expenses		289.30		121.01
Total		**13,195.70**		**12,352.84**

42 Related parties disclosures as per Ind AS 24

A) **Names of the related parties and description of relationships**

Particulars	Country of Incorporation	Proportion of ownership interest as at	
		March 31, 2026	March 31, 2025
Subsidiaries:			
Fermenta Biotech Gmbh	Germany	100%	100%
Fermenta Biotech (UK) Limited	United Kingdom	100%	100%
Fermenta USA LLC	United States of America	52%	52%
Fermenta Biotech USA LLC	United States of America	100%	100%
Fermenta Environment Solutions Private Limited w.e.f. May 01, 2025	India	100%	-

b) **Key Management Personnel**

Name of Directors and Key Management Personnel	Designation
Mr. Krishna Datla	Executive Vice-Chairman
Mr. Satish Varma	Executive Director
Mrs. Rajeshwari Datla (also relative of the Executive Vice-Chairman)	Non-Executive Director
Mrs. Anupama Datla Desai	Executive Director
Dr. Gopakumar Nair * (upto May 16, 2024)	Non-Executive Director
Mr. Pradeep Chandan	Non-Executive Director and Chairman
Mrs. Rajashri Ojha	Non-Executive Director
Mr. Pramod Kasat	Non-Executive Director
Mr. Ramanand Mundkur ** (w.e.f. November 14, 2024)	Non-Executive Director
Mr. Prashant Nagre	Managing Director
Mr. Sumesh Gandhi	Chief Financial Officer
Mr. Srikant N Sharma***(upto July 23, 2024)	Company Secretary
Mr. Varadvinayak Khambete (w.e.f. July 24, 2024)	Company Secretary

* Dr. Gopakumar Nair ceased to be Non-Executive Independent Director w.e.f. May 17, 2024, due to retirement.

**Mr. Ramanand Mundkur appointed as Independent Director w.e.f. November 14, 2024.

***Mr. Srikant N Sharma ceased to be Company Secretary from July 24, 2024, due to retirement.

c) **Associate**

Health and Wellness India Private Limited

d) **Enterprises under significant influence of key management personnel or their relatives:**

Dupen Laboratories Private Limited

Silk Road Communications Private Limited.

Lacto Cosmetics (Vapi) Private limited

Kamml Technologies

42 Related parties disclosures as per Ind AS 24 *(Cont'd)*

B) Related party transactions: (₹ in Lakhs)

Sr. No.	Particulars	Subsidiaries	Key management personnel*	Enterprise significantly influenced by KMP or their relatives	Joint ventures / associates
1	**Remuneration to Directors and Key Management Personnel ***				
	Mr. Krishna Datla	-	**320.61**	-	-
		(-)	(254.99)	(-)	(-)
	Mr. Satish Varma	-	**253.27**	-	-
		(-)	(178.66)	(-)	(-)
	Ms. Anupama Datla Desai	-	**178.53**	-	-
		(-)	(129.92)	(-)	(-)
	Mr. Prashant Nagre #	-	**243.72**	**(-)**	**(-)**
		(-)	(706.89)	(-)	(-)
	Mr. Sumesh Gandhi #	-	**132.22**	-	**(-)**
		(-)	(155.10)	(-)	(-)
	Mr. Srikant N Sharma #	-	-	-	-
		(-)	(38.78)	(-)	(-)
	Mr. Varadvinayak Khambete #	-	**32.92**	-	-
		(-)	(23.93)	(-)	(-)
	Commission to non-executive directors (excluding statutory levy)				
	Mrs. Rajeshwari Datla	-	**9.77**	-	-
		(-)	(-)	(-)	(-)
	Mrs. Rajashri Ojha	-	**9.77**	-	-
		(-)	(-)	(-)	(-)
	Mr. Pramod Kasat	-	**9.77**	-	-
		(-)	(-)	(-)	(-)
	Mr. Ramanand Mundkur	-	**9.77**	-	-
		(-)	(-)	(-)	(-)
	Mr. Pradeep Chandan	-	**9.77**	-	-
		(-)	(-)	(-)	(-)
2	**Directors sitting fees**				
	Mr. Gopakumar Nair	-	-	-	-
		(-)	(1.10)	(-)	(-)
	Mrs. Rajeshwari Datla	-	**7.30**	-	-
		(-)	(9.30)	(-)	(-)

42 Related parties disclosures as per Ind AS 24 *(Cont'd)*

(₹ in Lakhs)

Sr. No.	Particulars	Subsidiaries	Key management personnel*	Enterprise significantly influenced by KMP or their relatives	Joint ventures / associates
	Mrs. Rajashri Ojha	-	**10.80**	-	-
		(-)	(8.80)	(-)	(-)
	Mr. Pramod Kasat		**12.10**		
		(-)	(10.20)	(-)	(-)
	Mr. Pradeep Chandan	-	**7.40**	-	-
		(-)	(9.50)	(-)	(-)
	Mr. Ramanand Mundkur	-	**11.60**	-	-
		(-)	(2.50)	(-)	(-)
3	**Rent and service income**				
	Silk Road Communications Private Limited.	-	-	-	
		(-)	(-)	(1.35)	(-)
	Fermenta Environment Solution Private Limited	**36.03**	-	-	-
		(-)	(-)	(-)	(-)
	Kamml Technologies	-	-	**36.23**	-
		(-)	(-)	(-)	(-)
4	**Sale of products**				
	Dupen Laboratories Private Limited	-	-	**14.69**	-
		(-)	(-)	(44.06)	(-)
	Fermenta Biotech Gmbh	**2,721.54**	-	-	-
		(1,821.23)	(-)	(-)	(-)
	Fermenta USA LLC	**2,175.60**	-	-	-
		(2,889.90)	(-)	(-)	(-)
	Fermenta Environment Solution Private Limited	**1.25**	-	-	-
		(-)	(-)	(-)	(-)
5	**Purchase of products**				
	Fermenta Environment Solution Private Limited	**536.12**	-	-	-
		(-)	(-)	(-)	(-)

42 Related parties disclosures as per Ind AS 24 *(Cont'd)*

(₹ in Lakhs)

Sr. No.	Particulars	Subsidiaries	Key management personnel*	Enterprise significantly influenced by KMP or their relatives	Joint ventures / associates
6	**Interest on loan given**				
	Fermenta Biotech USA LLC	**37.55**	-	-	-
		(36.66)	(-)	(-)	(-)
	Fermenta Environment Solution Private Limited	**55.16**	-	-	-
		(-)	(-)	(-)	(-)
7	**Investment made**				
	Fermenta Environment Solution Private Limited	**800.00**	-	-	-
		(-)	(-)	(-)	(-)
8	**Payment made to vendors on behalf of**				
	Fermenta Environment Solution Private Limited	**34.99**	-	-	-
		(-)	(-)	(-)	(-)
9	**Business Combination (Transfer of business to subsidiary - on 'slump – sale' basis)**				
	Fermenta Environment Solution Private Limited	**1,900.00**	-	-	-
		(-)	(-)	(-)	(-)

(Figures in brackets are the corresponding figures in respect of the previous year.)

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

The remuneration to the key managerial personnel include ESOP Perquisites as below (ESOP exercised in) :

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Mr. Prashant Nagre	-	511.87
Mr. Sumesh Gandhi	-	45.94
Mr. Srikant N Sharma	-	8.57
Mr. Varadvinayak Khambete	-	3.15

42 Related parties disclosures as per Ind AS 24 *(Cont'd)*

C) Balance outstanding as at the end of the year : (₹ in Lakhs)

	Particulars	March 31, 2026	March 31, 2025
a.	**Trade payables and reimbursement payables**		
	Subsidiary		
	Fermenta Biotech Gmbh	-	113.47
	Fermenta Environment Solution Private Limited	240.68	-
	Enterprises under significant influence of key management personnel or their relatives:		
	Kamml Technologies (net)	13.47	-
b.	**Trade receivables / other and reimbursement receivables (Gross)**		
	Subsidiary		
	Fermenta Biotech Gmbh	5,448.43	5,707.14
	Fermenta USA LLC	1,520.01	1,769.36
	Fermenta Biotech USA LLC	9.94	8.96
	Fermenta Environment Solution Private Limited	72.00	-
c.	**Allowance for doubtful debts/advances**		
	Subsidiary		
	Fermenta Biotech Gmbh	2,780.03	2,780.03
	Associate		
	Health and Wellness India Private Limited	37.00	37.00
d.	**Inter corporate deposits**		
	Associate		
	Health and Wellness India Private Limited	37.00	37.00
e.	**Loan given**		
	Subsidiary		
	Fermenta Biotech USA LLC	806.08	726.43
	Fermenta Environment Solutions Private Limited	1,400.00	-
f.	**Investments (Gross)**		
	Fermenta Biotech Gmbh (Subsidiary)	831.21	831.21
	Fermenta Biotech (UK) Limited (Subsidiary)	183.99	183.99
	Fermenta Biotech USA LLC (Subsidiary)	1,184.72	1,184.72
	Health and Wellness India Private Limited (Associate)	784.86	784.86
	Fermenta Environment Solutions Private Limited	800.00	-
g.	**Provision for diminution in value of investments**		
	Subsidiary		
	Fermenta Biotech Gmbh	831.21	831.21
	Fermenta Biotech (UK) Limited	148.65	148.65
	Fermenta Biotech USA LLC	900.00	900.00
	Associate		
	Health and Wellness India Private Limited (including share application money)	784.86	784.86

All transactions entered into with Related Parties as defined under Regulations during the financial year were in the ordinary course of business and on arm's length pricing basis.

42 Related parties disclosures as per Ind AS 24 *(Cont'd)*

D) Options to Key management personnel position :

Sr. No.	Particulars	As at March 31, 2026				
		Total No. of Option Outstanding as at March 31, 2025	Grant during the year	Total No. of Option Vested	Total No. of Option Cancelled / Forfeited/ Exercised	Total No. of Option Outstanding
a)	Mr. Prashant Nagre	-	72,500	-	-	72,500
b)	Mr. Sumesh Gandhi	-	48,192	-	-	48,192
c)	Mr. Varadvinayak Khambete	-	4,510	-	-	4,510

Sr. No.	Particulars	As at March 31, 2025				
		Total No. of Option Grant	Total No. of Option Vested	Total No. of Option Cancelled / Forfeited*	No. of Option Exercise in the year ended March 31, 2025	Total No. of Option Outstanding
a)	Mr. Prashant Nagre	217,410	217,410	-	217,410	-
b)	Mr. Sumesh Gandhi	40,161	16,065	24,096	16,065	-
c)	Mr. Varadvinayak Khambete	2,511	1,506	1,005	1,506	-
d)	Mr. Shrikant Sharma	30,117	12,047	18,070	12,047	-

* The effect of total no. of option cancelled / forfeited on estimation accounted in the earlier years

43 Commitments and Contingent liabilities

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(i) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,901.06	385.59
(b) Lease commitments	157.44	132.96
(ii) Contingent liabilities:		
Claims against the company not acknowledged as debts*		
(a) Tax matters		
Service tax department raised demand for year 2000-01 of ₹ 22.50 Lakhs consisting of Service Tax of ₹ 7.50 Lakhs and penalty of ₹ 15.00 Lakhs in connection with services rendered post demerger of the pharmaceutical division. Commissioner of Service Tax Mumbai and CESTAT has upheld the order of Joint Commissioner of Service Tax. The Company has preferred an appeal to Bombay High Court.	22.50	22.50

43 Commitments and Contingent liabilities *(Cont'd)*

Particulars	March 31, 2026	March 31, 2025
The Deputy Commissioner of sales tax has confirmed the order of the Assistant Commissioner of sales tax Vapi, Gujarat for year 1992-93 and 1993-94 for demand of interest and penalty due to shortfall in tax payment on account of computation of purchase tax setoff. Company has preferred an appeal to sales tax tribunal Ahmedabad, Gujarat and obtained stay against the order/demand of the Assistant Commissioner pending final disposal.	4.63	4.63
Office of the Assistant Commissioner, Central Goods & Services Tax Division – Mandi, Himachal Pradesh, issued a demand for IGST refund, interest, and penalty for the years 2018–2020 due to the alleged incorrect refund of IGST to EOUs/AAHs. The company has submitted its reply, and the matter is currently pending final disposal or outcome by the Office of the Assistant Commissioner.	135.65	135.65
(b) Letter of comfort on behalf of a subsidiary, to the extent of limits.	381.49	301.46

Note:- Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various authorities/forums and/or final outcome of the matters.

*Excludes interest.

44 Payment to auditors excluding statutory levy

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
For audit	57.00	42.00
For limited review	19.00	15.00
For other services	1.00	1.00
Reimbursement of expenses	2.46	1.54
Total	**79.46**	**59.54**

45 Earnings per share (EPS)

The following table sets forth the computation of basic and diluted earnings per share : (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Profit before Exceptional Items for the year used for computation of basic and diluted earnings per share (₹ in Lakhs)	5,731.74	6,761.54
Profit after Exceptional Items for the year used for computation of basic and diluted earnings per share (₹ in Lakhs)	6,428.36	6,761.54
Weighted average number of equity shares used in calculating basic EPS [Refer Note 22(a)]	29,053,124	29,168,976
Effect of dilutive potential equity shares	222,842	5,018
Weighted average number of equity shares used in calculating diluted EPS	29,275,966	29,173,994
Earnings per equity share of ₹ 5 each before exceptional items		
Basic earnings per equity share [nominal value of share ₹ 5 (March 31, 2025: ₹ 5)]	20.43	23.18
Diluted earnings per equity share [nominal value of share ₹ 5 (March 31, 2025: ₹ 5)]	20.27	23.18
Earnings per equity share of ₹ 5 each after exceptional items		
Basic earnings per equity share [nominal value of share ₹ 5 (March 31, 2025: ₹ 5)]	22.13	23.18
Diluted earnings per equity share [nominal value of share ₹ 5 (March 31, 2025: ₹ 5)]	21.96	23.18

46 Leases

(A) Assets taken on lease

The Company has entered into agreements for taking on leave and license basis certain residential and office premises and also taken vehicles on lease basis. The Company also has lease arrangements for lands taken on lease at Dahej. In respect of the said lease, the additional information is as under:

Amount recognised in the statements of profit and loss: (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Depreciation charge for right-of-use assets (Refer Note 5)	126.56	133.68
Expenses relating to leases of low-value assets (included in Rent expenses in Note 41)	70.97	44.04
Finance cost (Refer Note 39)	39.56	47.36

Maturity analysis of lease liabilities (on undiscounted basis) (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Less than one year	157.44	148.71
One to five years	348.18	498.79
More than five years	-	16.84
Weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date.	8.75%	8.75%

46 Leases *(Cont'd)*

Set out below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the year:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
As at the beginning of the year	553.53	649.69
Interest Expense included in Finance cost (Refer Note 39)	39.56	48.81
Payments	(148.71)	(144.97)
As at the end of the year	**444.38**	**553.53**
Breakup :		
Current	126.30	109.16
Non-Current	318.08	444.37
Total Lease liabilities	**444.38**	**553.53**

General description of significant leasing agreements

(i) Refundable interest free deposits have been given under lease agreements.

(ii) Some of the agreements provide for early termination by either party with a specified notice period / renewal with conditions

(B) Assets given on lease

The Company has also entered into operating lease agreements for its properties in Thane one with original lease periods expiring by February 2029. These agreements have a non-cancellable period at the beginning of the period for 6 month to 5 years and have rent escalation provisions of 5% every year and 12% immediately.

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
a) Rent income recognised in the Standalone statement of profit and loss for the year (Refer Note 34).	180.54	291.26
b) Future minimum lease income under the non-cancellable leases in the aggregate and for each of the following periods:		
i) Less than one year	177.71	168.57
ii) One year to five years	190.24	367.94
iii) More than five years	-	-

47. Employee benefits

The Group operates following employee benefit plans :

I) Defined contribution plans: Provident fund, superannuation fund, employee state insurance scheme (ESIC) and labour welfare fund.

II) Defined benefit plan: Gratuity (funded)

III) Other long term benefit plan: Compensated absences (unfunded)

47. Employee benefits *(Cont'd)*

I) Defined Contribution Plans

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
The Company operates defined contribution retirement benefit plans for all qualifying employees of the Company. The contribution to defined contribution plan, recognised as expenses in the Standalone statement of profit and loss for the year is as under (Refer Note 38).		
Employer's contribution to provident fund	323.21	264.12
Employer's contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	8.12	6.88
Employer's contribution to labour welfare fund	0.16	0.13

II) Defined benefit plan

The Company operates a defined benefit plan, viz., gratuity.

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination. Provision for Gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Company reviews the level of funding in the gratuity fund.

(a) Movements in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening defined benefit obligation	**706.34**	**579.05**
Interest cost	24.95	38.37
Current service cost	81.01	57.85
Past service cost (Refer Note 65)	210.52	-
Benefits paid	(38.58)	(83.22)
Actuarial (Gain)/loss on obligations - due to changes in financial assumptions	(39.61)	28.78
Actuarial (Gain)/loss on obligations - due to changes in experience adjustment	10.67	85.51
Liability assumed / (transfer)* (Refer Note 72)	(23.18)	-
Closing defined benefit obligation	**932.12**	**706.34**

*On account of business combination or inter group transfer

(b) Movements in the fair value of the plan assets are as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening fair value of plan assets	**292.51**	**322.83**
Employer's contributions	26.10	29.91
Interest income	17.65	21.18
Remeasurement gain / (loss) :		
Return on plan assets (excluding amounts included in net interest expense)	3.74	1.81
Benefit paid	(38.58)	(83.22)
Closing fair value of plan assets	**301.42**	**292.51**

47. Employee benefits *(Cont'd)*

(c) Reconciliation of fair value of plan assets and defined benefit obligation:

The amount included in the financial statements arising from the Group's obligation in respect of its defined benefit obligation plan is as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Fair value of plan assets	301.42	292.51
Present value of defined benefit obligation	932.12	706.34
Amounts recognised in the Standalone Balance Sheet surplus/(deficit)	**(630.70)**	**(413.83)**

(d) The amount recognised in Standalone statement of profit and loss in respect of the defined benefit plan are as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Current service cost	81.01	57.85
Past service cost (Refer Note 65)	210.52	-
Net interest expense / (income)	7.29	17.19
Components of defined benefit costs recognised in Standalone Statement of Profit and Loss	**298.82**	**75.04**

(e) The amount recognised in other comprehensive income in respect of the defined benefit plan is as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Remeasurement on the net defined benefits liability:		
Return on plan assets (excluding amounts included in net interest expense)	3.74	1.81
Actuarial gains /(losses) arising from changes in financial assumptions	39.61	(28.78)
Actuarial gains /(losses) arising from changes in experience adjustments	(10.67)	(85.51)
Components of defined benefit recognised as income / (loss) in other comprehensive income	**32.68**	**(112.48)**

(f) The principal assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Discount rate (per annum)	7.20%	6.70%
Salary escalation rate (per annum)	5.00%	5.00%
Expected rate of return on plan assets (per annum)	7.40%	7.05%
Retirement Age	58 Years	58 Years
Mortality rate	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

47. Employee benefits *(Cont'd)*

Leaving Service (Age groups)	21-30 years- 4% 31-40 years - 3% 41-50 years - 2% Above 50 years - 1%	21-30 years- 4% 31-40 years - 3% 41-50 years - 2% Above 50 years - 1%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is considered as per declaration from Life Insurance Corporation of India (LIC) .

The expected contributions for defined benefit plan for the next financial year is ₹ 35 Lakhs (March 31, 2025: ₹ 35.00 Lakhs).

(g) Maturity analysis of projected benefit obligation (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Expected benefits for Year 1	173.21	92.67
Expected benefits for Year 2	89.83	73.88
Expected benefits for Year 3	67.06	83.64
Expected benefits for Year 4	37.07	46.16
Expected benefits for Year 5	55.33	25.61
Expected benefits for Year 6	50.50	44.16
Expected benefits for Year 7	53.89	34.98
Expected benefits for Year 8	49.54	35.48
Expected benefits for Year 9	34.70	31.33
Expected benefits for Year 10 and above	1,320.45	926.86

(h) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2026	March 31, 2025
Insurer Managed Funds	100%	100%

(i) Sensitivity analysis

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at end of year, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	March 31, 2026 (Decrease)/increase in DBO*	March 31, 2025 (Decrease)/increase in DBO*
Discount rate (- 0.50%)	4.25%	4.37%
Discount rate (+ 0.50%)	(-3.96%)	(-4.07%)
Salary escalation rate (- 0.50%)	(-3.82%)	(-3.92%)
Salary escalation rate (+ 0.50%)	4.07%	4.15%

*'DBO: Defined benefit obligation

47. Employee benefits *(Cont'd)*

(j) Risk exposure:

The plan typically exposes the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields on government bonds denominated in Indian rupees. If the actual return on plan assets is below this rate, it will create a plan deficit. However, the risk is mitigated by investment in LIC managed fund.

Interest risk : A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's investment in LIC managed fund.

Longevity risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk : 'The inherent risk for the Company mainly are adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

III) Other long term benefit plan

Actuarial valuation for compensated absences is done as at the year end and provision is made as per Company rules with corresponding charge / (credit) to the Standalone statement of profit and loss amounting to ₹104.61 Lakhs [March 31, 2025: ₹153.61 Lakhs] and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined at the year end using the "Projected unit credit model". Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in OCI where as gains and losses in respect of other long term employee benefit plans are recognised in the Standalone statement of profit and loss.

48 Income tax

(₹ in Lakhs)

48A Tax expense recognised in the Standalone statement of profit and loss and other comprehensive income consists of:

Particulars	March 31, 2026	March 31, 2025
Tax expenses:		
Current tax	1,460.72	1,312.24
Deferred tax charge/(income)	1,035.04	(631.74)
Income tax expense recognised in the Standalone statement of profit and loss	**2,495.76**	**680.50**
Tax expense / (income) recognised in other comprehensive income	6.55	(32.75)
Total Tax expense / (income)	**2,502.31**	**647.75**

48B A reconciliation of income tax expense to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Profit before tax	8,924.12	7,442.04
Enacted income tax rate in India (%) *	29.12	29.12
Income tax expense calculated at enacted income tax rate	2,598.70	2,167.12
Effect of tax on:		
(i) Loss utilised on which DTA was not recognised in earlier years	-	(1,442.69)
(ii) Impact of income taxed at rates other than those applicable to Business income	(12.51)	6.88
(iii) Impact of expenses disallowed under Income Tax	63.18	24.31
(iv) Impact of exempt / not chargeble to Tax	(37.19)	(20.49)
(v) Impact of adjustment of Tax related to earlier year **	135.33	-
(vi) Impact of remeasurement of deferred tax due to new tax regime adoption from April 1, 2026 ***	(251.76)	-
(vii) Impact of others	-	(54.63)
	(102.94)	**(1,486.62)**
Tax expenses recognised in Standalone statement of profit and loss	**2,495.76**	**680.50**
Tax expense /(income) recognised in other comprehensive income	**6.55**	**(32.75)**
Total tax expense	**2,502.31**	**647.75**

*The tax rate used for reconciliation above is the corporate tax rate of 29.12% (March 31, 2025: 29.12%) at which the Company is liable to pay tax on taxable income under the Indian tax Laws.

** During the year, the Company has received final assessment order for the financial year 2021-22 basis which an additional tax charge has been recorded on account of certain disallowances/ MAT credit not allowed for carry forword.

*** The Company has elected to exercise the option available under Section 115BAA of the Income-tax Act, 1961, to pay corporate income tax at the concessional rate of 22% plus applicable surcharge and cess, resulting in an effective tax rate of 25.12%, with effect from Financial Year 2026-27. Accordingly, the Company has remeasured its deferred tax assets and liabilities as at March 31, 2026, using the revised tax rate. The resulting impact of ₹251.76 lakhs has been recognized as deferred tax income in the Statement of Profit and Loss for the year ended March 31, 2026.

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48C The major components of deferred tax liabilities/(assets) arising on account of temporary differences are as follows:

(₹ in Lakhs)

Particulars	March 31, 2026				
	April 01, 2025	Statement of profit and loss	Other comprehensive income	Impact of proposed adoption to new tax regime	March 31, 2026
(i) Components of deferred tax liabilities (net)					
Deferred tax liabilities					
Property, plant and equipment and intangible assets: Impact of difference between written down value as per books of account and income tax	(4,303.77)	227.46	–	552.93	(3,523.38)
Lease Liability	(144.61)	(43.31)	–	25.49	(162.43)
Deferred tax assets					
Expenses claimed for tax purpose on payment basis and others	368.47	21.28	6.55	(54.11)	342.19
Allowance for doubtful debts and advances and impairment on investments	1,995.74	(169.46)	–	(247.70)	1,578.58
Lease assets	144.61	38.63	–	(24.86)	158.38
MAT Credit entitlement	1,571.22	(1,361.40)	–	–	209.82
Transfer of development rights (Refer Note 48D)	3,232.74	–	–	–	3,232.74
Deferred tax charge/credit		**(1,286.80)**	**6.55**	**251.76**	
Net deferred tax assets	**2,864.40**				**1,835.91**

48C The major components of deferred tax liabilities/(assets) arising on account of temporary differences are as follows: *(Cont'd)*

(₹ in Lakhs)

Particulars	March 31, 2025			
	April 01, 2024	Statement of profit and loss	Other comprehensive income	March 31, 2025
(i) Components of deferred tax liabilities (net)				
Deferred tax liabilities				
Property, plant and equipment and intangible assets: Impact of difference between written down value as per books of account and income tax	(4,261.16)	(42.61)	-	(4,303.77)
Lease Liabilities	(160.40)	15.79	-	(144.61)
Deferred tax assets				
Expenses claimed for tax purpose on payment basis and others	245.67	90.05	32.75	368.47
Allowance for doubtful debts and advances and impairment on investments	1,995.74	-	-	1,995.74
Lease assets	160.40	(15.79)	-	144.61
Business losses	130.63	(130.63)		-
MAT Credit entitlement	4,089.03	(2,517.81)	-	1,571.22
Transfer of development rights (Refer Note 48D)		3,232.74		3,232.74
Deferred tax charge/credit		**631.74**	**32.75**	
Net deferred tax assets	**2,199.91**			**2,864.40**

48D In the previous year ended March 31, 2025, the Company had evaluated the tax implications of the Development Agreement and Supplementary Development Agreement entered into with Mextech Property Developers LLP, as detailed in Note 62 of the standalone financial statements. The Company had assessed that the transfer of physical possession of the land during the current financial year satisfies the conditions for "transfer" under Section 2(47) of the Income-tax Act, 1961. Accordingly, the capital gains arising from the transfer of development rights in the land was considered taxable in the previous financial year ended March 31, 2025. In recognition of the resulting temporary difference between accounting and taxable income, the Company had recognised a deferred tax asset of ₹ 3,232.74 lakhs in the books of account for the year ended March 31, 2025.

49 Research and development expenditure

Research and development expenditure of ₹ 1345.85 Lakhs (March 31, 2025: ₹ 1202.08 Lakhs) has been charged to the Standalone statement of profit and loss. The capital expenditure in the current year on research and development amounts to ₹ 44.75 Lakhs (March 31, 2025: ₹ 11.52 Lakhs).

50 Directors Sitting Fees

During the year ended March 31, 2026, Directors sitting fees to Non-Executive Directors aggregating ₹ 49.20 Lakhs and commission of ₹ 48.85 Lakhs has been charged to the Standalone statement of profit and loss. (March 31, 2025 ₹ 41.40 Lakhs and Commission ₹ Nil)

51 Details of CSR expenditure

(₹ in Lakhs)

Particulars	March 31, 2026			March 31, 2025		
Gross amount required to be spent by the Company as per Section 135 of companies act 2013 and included in other expenses	73.65			43.62		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Amount spent during the year						
i) Construction/acquisition of any asset	18.17	–	18.17	9.51	–	9.51
ii) On purposes other than (i) above	35.23	15.20	50.43	39.64	–	39.64

Nature of CSR activities undertaken

(₹ in Lakhs)

Nature of CSR activities	Amount Spent	
	March 31, 2026	March 31, 2025
Promoting health care including preventive health care	10.00	15.00
Contribution for the benefit of armed forces veterans	13.40	5.00
Contribution towards animal protection/ welfare	6.70	10.17
Promoting education and Social welfare	–	0.37
Promoting health care	–	0.25
Promoting education	10.75	6.10
Social welfare	8.87	9.81
Protection of art and culture	–	0.27
Administrative Overheads	3.68	2.18
Total	**53.40**	**49.15**

Excess payment of ₹ 5.53 Lakhs of the year ended March 31, 2025 has been utilised in the current year.

The unspent amount ₹ 15.20 lakhs, that are required to be transferred to a fund specified in Schedule VII of the Companies Act, in compliance with second proviso to sub section 5 of section 135 of the Companies Act 2013 read with the CSR Amendment Rules has been subsequently transferred to Prime Ministers Relief fund on May 18 and 19, 2026.

There were no ongoing CSR projects in the current year.

In case of Section 135(5) excess amount spent is as below:

(₹ in Lakhs)

Opening Balance (Cumulative excess)	Amount spent during the year *	Amount deposited in specified schedule VII fund with 6 months	Amount required to be spent during the year	Closing Balance
5.53	53.4	15.2	73.65	0.48

* This amount includes excess payment of ₹ 5.53 lakhs of previous year utilised during the year and the unspent amount subsequently transfer to Prime Minister Relief fund.

52 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

	Particulars	March 31, 2026	March 31, 2025
a)	(i) Principal amount remaining unpaid to any supplier at the end of the accounting year	208.25	387.86
	(ii) Interest due on above	-	-
	The Total of (i) and (ii)	208.25	387.86
b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro and Small Medium Enterprises Development Act, 2006	9.90	19.33
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.41	0.91
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

The information regarding Micro and Small Enterprises have been identified on the basis of information available and submitted by the vendors with the Company. This has been relied upon by the auditors.

53 Categories of the financial instruments

(₹ in Lakhs)

Particulars	March 31, 2026				
	Amortised Cost	FVTPL	FVTOCI	Total Carrying value	Total Fair value
Financial Assets					
(i) Investments	-	-	41.94	41.94	41.94
(ii) Trade receivables	13,720.56	-	-	13,720.56	13,720.56
(iii) Loans	2,320.58	-	-	2,320.58	2,320.58
(iv) Cash and cash equivalents	887.97	-	-	887.97	887.97
(v) Bank balances other than (iv) above	914.25	-	-	914.25	914.25
(vi) Other financial assets	5,866.79	-	-	5,866.79	5,866.79
Total	**23,710.15**	**-**	**41.94**	**23,752.09**	**23,752.09**
Financial Liabilities					
(i) Borrowings	10,888.56	-	-	10,888.56	10,888.56
(ii) Lease liabilities	444.38	-	-	444.38	444.38
(iii) Trade payables	6,350.64	-	-	6,350.64	6,350.64
(iv) Other financial liabilities	2,351.08	-	-	2,351.08	2,351.08
(v) Derivatives not designated as hedge	-	38.81	-	38.81	38.81
Total	**20,034.66**	**38.81**	**-**	**20,073.47**	**20,073.47**

53 Categories of the financial instruments *(Cont'd)*

(₹ in Lakhs)

Particulars	March 31, 2025				
	Amortised Cost	FVTPL	FVTOCI	Total Carrying value	Total Fair value
Financial Assets					
(i) Investments	–	–	48.63	48.63	48.63
(ii) Trade receivables	13,316.91	–	–	13,316.91	13,316.91
(iii) Loans	859.24	–	–	859.24	859.24
(iv) Cash and cash equivalents	1,849.52	–	–	1,849.52	1,849.52
(v) Bank balances other than (iv) above	4,345.94	–	–	4,345.94	4,345.94
(vi) Other financial assets	2,049.63	–	–	2,049.63	2,049.63
Total	**22,421.24**	**–**	**48.63**	**22,469.87**	**22,469.87**
Financial Liabilities					
(i) Borrowings	10,940.04	–	–	10,940.04	10,940.04
(ii) Lease liabilities	553.53	–	–	553.53	553.53
(iii) Trade payables	6,427.99	–	–	6,427.99	6,427.99
(iv) Other financial liabilities	2,052.05	–	–	2,052.05	2,052.05
(v) Derivatives not designated as hedge		41.61		41.61	41.61
Total	**19,973.61**	**41.61**	**–**	**20,015.22**	**20,015.22**

54 Reconciliation of Level 3 fair value measurements:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening balance	5.91	5.91
Total gains or (losses)		
Recognised in standalone statement of profit and loss.	–	–
Closing balance	**5.91**	**5.91**

55 Fair value

Asset and liabilities which are measured at amortised cost for which fair value are disclosed : (₹ in Lakhs)

Particulars	Carrying value		Fair value	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Financial assets				
Trade receivables	13,720.56	13,316.91	13,720.56	13,316.91
Cash and cash equivalents	887.97	1,849.52	887.97	1,849.52
Bank balances other than cash and cash equivalents	914.25	4,345.94	914.25	4,345.94
Loans	2,320.58	859.24	2,320.58	859.24
Other financial assets	5,866.79	2,049.63	5,866.79	2,049.63
Total assets	**23,710.15**	**22,421.24**	**23,710.15**	**22,421.24**
Financial liabilities				
Trade payables	6,350.64	6,427.99	6,350.64	6,427.99
Lease liabilities	444.38	553.53	444.38	553.53
Borrowings	10,888.56	10,940.04	10,888.56	10,940.04
Other financial liabilities	2,351.08	2,052.05	2,351.08	2,052.05
Derivatives not designated as hedge	38.81	41.61	38.81	41.61
Total liabilities	**20,073.47**	**20,015.22**	**20,073.47**	**20,015.22**

The financial assets above do not include investments in subsidiaries which are measured at cost, investments in mutual funds measured at fair value through profit and loss and investments in equity instruments measured at fair value through OCI.

The Management largely due to short term maturity consider that the carrying amounts of above financial assets and financial liabilities recognised in the standalone financial statements approximate their fair values.

Fair value hierarchy (₹ in Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Fair Value	Fair value hierarchy	Fair Value	Fair value hierarchy
Financial assets measured at fair value through Other comprehensive income				
Investments in equity shares-quoted	36.03	Level 1	42.72	Level 1
Investments in equity shares-unquoted	5.91	Level 3	5.91	Level 3
Financial Liabilities measured at fair value through profit or loss				
Derivatives not designated as hedge	38.81	Level 2	41.61	Level 2

56 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The Managing Director of the Company is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM of the Company. The Company has identified the following segments as reporting segments based on the information reviewed by CODM.

The business segments have been identified considering :

a) the nature of products and services
b) the differing risks and returns
c) the internal organisation and management structure, and
d) the internal financial reporting systems

The segment information presented is in accordance with the accounting policies adopted by the Company. Segment revenues, expenses and results include inter-segment transfers.

A) Based on the information reviewed by the Chief Operating Decision Maker (CODM), the Company has identified the following reportable segments, viz:

Chemicals/Bulk Drug- Manufacturing and selling of chemicals, primarily bulk drugs and enzymes.

Property - Renting and Sale of properties

Segments have been identified and reported based on the nature of the services, the risk and returns, the organisation structure and the internal financial reporting systems.

(₹ in Lakhs)

Particulars			2025-2026 2024-2025		
			Bulk Drug/ Chemicals	Property	Total
a.	Income				
	1	Segment Income	**44,372.65**	**951.27**	**45,323.92**
			36,140.13	*5,440.18*	*41,580.31*
		Unallocated Income (net) (Refer Note 72)			**2,091.24**
					2,640.64
	2	Total			**47,415.16**
					44,220.95
b.	Result				
	1	Segment (loss) / profit before Tax, finance cost and exceptional item	**8,260.73**	**210.98**	**8,471.71**
			3,843.96	*4,830.10*	*8,674.06*
	2	Finance costs			**1,148.44**
					1,419.92
	3	Unallocable income/(expenditure) (net) (Refer Note 72)			**904.23**
					187.90
	4	Profit before Exceptional Items and tax			**8,227.50**
					7,442.04
	5	Exceptional item			**696.62**
					-

56 Segment information *(Cont'd)*

(₹ in Lakhs)

Particulars		2025-2026 2024-2025 Bulk Drug/ Chemicals	Property	Total
6	Tax expense/(income)			
	- current tax			**1,460.72**
				1,312.24
	- deferred tax charge			**1,035.04**
				(631.74)
7	Profit / (Loss) after tax			**6,428.36**
				6,761.54
c.	**Other information**			
1.	Segment assets	**52,996.08**	**856.88**	**53,852.96**
		50,546.97	*1,306.54*	*51,853.51*
2	Unallocated corporate assets (Refer Note 72)			**11,382.64**
				10,393.05
3.	Total assets			**65,235.60**
				62,246.56
4.	Segment liabilities	**8,971.77**	**2,907.36**	**11,879.13**
		8,832.67	*3,879.84*	*12,712.51*
5.	Unallocated corporate liabilities (Refer Note 72)			**11,074.90**
				11,538.82
6.	Total liabilities			**22,954.03**
				24,251.33
7.	Cost incurred during the year to acquire			
	- segment tangible and intangible assets	**1,010.74**	**2,020.50**	**3,031.24**
		2,213.36	*-*	*2,213.36*
	- unallocated segment tangible and intangible assets			**-**
				-
8.	Depreciation and amortization expense	**2,083.60**	**10.03**	**2,093.63**
		2,301.03	*16.26*	*2,317.29*

(Figures in italics are the corresponding figures in respect of the previous year.)

56 Segment information *(Cont'd)*

B) Geographical information

Geographical information is reported on the basis of the geographical location of the customers. The management views the Indian market and export markets as distinct geographical markets.

Income by market – The following is the distribution of the Company's revenue by geographical market:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
India		
Bulk Drug/Chemicals	15,782.29	12,389.60
Property	951.27	5,440.18
Others	4,546.22	4,159.30
Europe - Bulk Drug/Chemicals	13,165.77	11,314.74
USA - Bulk Drug/Chemicals	3,201.37	3,831.86
Others countries - Bulk Drug/Chemicals	9,768.24	7,085.27
Total	**47,415.16**	**44,220.95**

The following is an analysis of the carrying amount of Non current assets excluding financials assets, Investment in subsidiaries and deferred Tax Assets, analysed by geographical area in which the assets are located:

(₹ in Lakhs)

Particulars	Assets	
	March 31, 2026	March 31, 2025
India	23,435.95	24,414.53
Outside-India	-	-
Total	**23,435.95**	**24,414.53**

The Company's operating facilities are located in India.

The Company has not generated revenue aggregating more than 10% of the Company's total revenue from any customer during the period (March 31, 2025 ₹ Nil).

57 Financial risk management objectives and policies

The Company is exposed to credit risk, liquidity risk and market risk. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates, commodity prices and equity price risk). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term borrowings. The Company is exposed to market risks related to foreign exchange rate risk, commodity rate risk, interest rate risk and other price risks, such as equity price risks. Thus, the Company's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

i) Equity price risk

The Company's unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investments in securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Company's Board of Directors review and approve, all investments in the equity instruments.

As at March 31, 2026 and March 31, 2025 the Company had exposure to equity securities measured at fair value. The changes in fair values of the equity investments were strongly positively co-related with changes in market index.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term borrowings obligations with floating interest rates.

The Company manages it's interest rate risk by having a balanced portfolio of long term and short term borrowings.

For the years ended March 31, 2026 and March 31, 2025 every 50 basis point decrease in the floating interest rate component applicable to its loan and borrowings would increase the Company's profit by ₹ 49.38 Lakhs and ₹ 57.18 Lakhs respectively. A 50 basis point increase in floating interest rate would lead to an equal but opposite effect.

iii) Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. The prices of the Company's raw materials generally are stable. Cost of raw materials forms the largest portion of the Company's cost of revenues. A large portion of the Company's sales are subject to commodity rate risk having a volatile pricing. The Company monitors overall demand supply position and pricing movement to decide marketing strategies to overcome risk of changing prices of the products.

iv) Foreign currency risk

The Company's foreign exchange risk arises from its foreign currency revenues and expenses and foreign currency borrowings. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company largely uses the natural hedge to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

57 Financial risk management objectives and policies *(Cont'd)*

The year end foreign currency exposures that have not been hedged (before giving effects of natural hedge) by derivative instrument or otherwise are given below:

A) Significant foreign currency risk exposure relating to trade receivables and cash and cash equivalents :

Particulars	Currency	March 31, 2026		March 31, 2025	
		Amount in foreign currency (in Lakhs)	₹ in Lakhs	Amount in foreign currency (in Lakhs)	₹ in Lakhs
Financial assets					
Cash and cash equivalents (including EEFC)	AED	0.03	0.70	0.06	1.34
	BDT	0.09	0.07	0.09	0.00
	CAD	0.01	0.84	0.01	0.74
	CHF	0.00	0.40	0.00	0.32
	CZK	0.00	0.01	0.00	0.01
	EUR	0.11	12.32	0.12	11.23
	GBP	0.00	0.38	0.00	0.33
	JPY	0.19	0.11	0.19	0.00
	NOK	0.00	0.00	0.00	0.00
	NZD	0.02	1.05	0.02	0.94
	OMR	0.00	0.86	0.00	0.78
	RUB	0.01	0.02	0.01	0.01
	SGD	0.03	1.87	0.03	1.62
	TRY	0.01	0.02	0.01	0.02
	USD	0.23	22.13	0.32	27.32
	THB	0.48	1.38	0.48	1.20
	SAR	0.13	3.18	0.13	2.87
	HKD	0.13	1.61	0.13	1.46
Loan	USD	8.50	806.08	8.50	726.43
Business advances	EUR	0.08	8.31	8.69	800.23
	USD	5.30	502.37	6.02	514.22
Trade receivables and other financial assets	USD	47.06	4,462.93	49.62	4,240.81
	EUR	68.20	7,433.13	86.91	8,002.94

Zero (0.00) value represent less than hundreds.

57 Financial risk management objectives and policies *(Cont'd)*

B) Significant foreign currency risk exposure relating to borrowings and trade payables :

Particulars	Currency	March 31, 2026		March 31, 2025	
		Amount in foreign currency (in Lakhs)	₹ in Lakhs	Amount in foreign currency (in Lakhs)	₹ in Lakhs
Financial assets					
Trade payables	EUR	12.50	1,362.82	13.22	1,216.95
	USD	0.24	23.10	0.16	13.84
	CAD	0.01	0.37	0.01	0.32
	GBP	0.01	1.13	0.01	1.13
Borrowings (PCFC)	EUR	26.18	2,853.14	21.34	1,965.06
	USD	4.24	401.75	11.70	999.69
Foreign Currency Term Loan (FCTL)	EUR	13.91	1,515.89	21.49	1,979.29

C) Foreign currency sensitivity

For the years ended March 31, 2026 and March 31, 2025, every 5% strengthening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets / liabilities would increase the Company's profit and increase the Company's total equity by approximately (net) ₹ 354.21 Lakhs and ₹ 407.93 Lakhs, respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to equal but opposite effect. In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

D) Derivative contracts

The Company is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollars and Euros and foreign currency debts in US dollars and Euros. The Company uses cross currency interest rate swap and Currency hedges (known as, "derivatives") to mitigate its risk of changes in foreign currency exchange interest rates and exchange rates . The counterparty for these contracts is generally a bank.

The following table gives details in respect of the notional amount of outstanding foreign exchange derivative contract:

(in Lakhs)

Particulars	Currency	Currency Amount	Buy/Sell	Cross Currency	March 31, 2026	March 31, 2025
Derivatives not designated as hedges						
Currency hedges						
Currency hedges EUR	EUR	3.25	Sell	INR	331.18	14.76
Currency hedges USD	USD	1.63	Sell	INR	142.17	3.27
Cross currency interest rate swap	EUR	-	Buy	INR	-	23.59

57 Financial risk management objectives and policies *(Cont'd)*

b) Credit risk

Credit risk is the risk of financial loss, 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, loans and other financial assets. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

i) Trade receivables

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers. The Company evaluates the concentration of risk with respect to trade receivables which is low, as its customers are widely spread with small outstanding amounts (For detailed movement in provision for trade receivables – Refer Note 16)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Not due	6,817.59	4,863.54
Less than 6 months	5,754.81	5,766.70
6 months-1 year	1,148.16	1,300.88
1-2 years	239.43	306.02
2-3 years	20.98	586.16
Beyond 3 years	2,670.49	3,216.03
Total	**16,651.46**	**16,039.33**

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Credit risk in case of Intercorporate deposit given is managed by the Company in accordance with the Company's policy. ICD only be given out of surplus funds, are made only with the approval of the Board of Directors and are reviewed by the Board on an annual basis.

57 Financial risk management objectives and policies *(Cont'd)*

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations as they fall due. The Company's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid banks deposits to meet the Company's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

i) Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakhs)

March 31, 2026	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	10,098.62	789.94	-	10,888.56
Trade payables	6,350.64	-	-	6,350.64
Lease liabilities	156.94	358.69	-	515.63
Other financial liabilities (including derivatives not designated as hedge)	2,110.06	279.83	-	2,389.89
Total	**18,716.26**	**1,428.46**	**-**	**20,144.72**

(₹ in Lakhs)

March 31, 2025	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	9,435.28	1,504.76	-	10,940.04
Trade payables	6,427.99	-	-	6,427.99
Lease liabilities	109.16	444.37	-	553.53
Other financial liabilities (including derivatives not designated as hedge)	431.20	1,662.46	-	2,093.66
Total	**16,403.63**	**3,611.59**	**-**	**20,015.22**

The Company has unutilised credit limit of borrowing facilities as at March 31, 2026 ₹ 751.80 lakhs and as at March 31, 2025: ₹ 1,774.77 lakhs from banks.

58 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less Cash and cash equivalents presented on the face of the standalone financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

(i) The gearing ratio at the end of the year was as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Debts (Term loans and loans repayable on demand including current maturities of long term debts)	10,888.56	10,940.04
Less: Cash and cash equivalents (Refer Note 17)	887.97	1,849.52
Net debt	**10,000.59**	**9,090.52**
Total equity	**42,281.57**	**37,995.23**
Net debt to equity ratio	**24%**	**24%**

(ii) Dividend on equity shares paid during the year

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Dividend on equity shares		
Dividend for the year ended March 31, 2025 of ₹ 2.50 per share on 2,91,68,976 equity shares of ₹ 5.00/- each, fully paid up (net of 7,60,299 equity shares of ₹ 5.00/- each which were held by ESOP Trust) [Refer note 22(a)]	729.22	
(Dividend for the year ended March 31, 2024 of ₹ 1.25 per share on 2,88,94,061 equity shares of ₹ 5.00/- each, fully paid up (net of 5,36,926 equity shares of ₹ 5.00/- each which were held by ESOP Trust)		361.18

Dividends not recognised at the end of the reporting period

The Board of Directors of the Company at its meeting held on May 26, 2026 have recommended dividend of ₹ 3.75 per share. The proposed dividend is subject to the approval of shareholders in the ensuring annual general meeting and hence not recognised as a liability.

59 Investment properties

Criteria used for classification of property as investment property

The Company has considered the following for classification of property as investment property:

(i) Investment property comprises building and other assets required to provide ancillary services to the occupants of the investment property.

(ii) The properties that are not occupied by the Company for use in production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation are classified as investment property.

Company's investment property comprised of Thane One Building (primarily meant for renting)(Ground floor -13 floors), Ceejay House, freehold land located at Majiwade Thane and land at Takawe.

For Thane One building, 1st floor -13th floors were sold in year ended March 31, 2024 and earlier years.

During the previous year ended March 31, 2025, Company sold part of its Investment in property consisting of Ceejay House and freehold land located at village Takawe.

Further in current year the company has additionally sold part of its Investment in Property consisting of freehold land located at village Takawe.

Total income recorded on such sale of Investment Property for the year ended March 31, 2026, is ₹ 162.89 lakhs and for the year ended March 31, 2025, is ₹ 4,457.88 lakhs has been recognized as income under the head revenue from operations pertaining to property segment.

Further, during the year, the Company constructed and transferred the MLCP (Multi-Level Car Parking) as part of the bundled floor sales for Thane One building. Accordingly, deferred revenue and the related cost, pertaining to the past performance obligation satisfied during the current year, have been recognized in the current year. For movement Refer Note 31.

Estimation of fair value

The fair value of the Investment Property consisting of Thane one building ground floor and Takwe land has been determined in the financial period March 31, 2026 as ₹ 515.66 Lakhs (March 31, 2025 as ₹1225.32 Lakhs). The fair value has been determined based on the latest sale agreement.

For Freehold land located at Majiwade Thane (balance portion of Thane One land) , Company has entered into a development agreement for grant of development rights to M/s Mextech for construction of residential-cum-commercial building. Refer Note 62 for terms of such arrangement.

Amount recognised in Standalone Statement of Profit and Loss

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Income from investment properties		
Rent and Service Income	667.77	839.26
Sale of properties	162.89	4,457.88
Other Income	120.61	143.04
Less: Direct operating expenses (including repairs and maintenance) generating income from investment properties	730.26	593.82
Income arising from investment properties	**221.01**	**4,846.36**
Less: Depreciation	10.03	16.26
Income arising from investment properties after depreciation	**210.98**	**4,830.10**

Refer Note 46(B) for operating lease arrangements and total future minimum lease rentals receivable

Refer Note 62 for deposit received against the signed Binding Term Sheet (development agreement) and grant of development rights to Mextech for construction of residential-cum-commercial buildings in the balance portion of Thane land.

60 Share-based payments

Employee share option plan of the Company

1.1 Details of the employee share option plan of the Company

This ESOP 2019 scheme has been framed pursuant to the Scheme of Amalgamation between the erstwhile Fermenta Biotech Limited ("Transferor Company") with the DIL Limited ("Transferee Company") and their respective shareholders. The Transferor Company prior to the Scheme of Amalgamation had implemented the 'Fermenta Biotech Limited - Employee Stock Option Plan 2019' and were granted employee stock options to its eligible employees. Further, the number of transferee options issued shall equal to the product of number of transferor options outstanding on effectiveness of Scheme multiplied by the Share exchange ratio (0.398) and each transferee option shall have an exercise price per equity share equal to transferor option exercise price per equity shares divided by the share exchange ratio (0.398) and fractions rounded off to the next higher whole number. The terms and conditions of ESOP 2019 Scheme of DIL Limited are not less favourable than those of ESOP Scheme of erstwhile Fermenta Biotech Limited. Under the ESOP 2019 Scheme, stock options have been issued to the eligible employees of erstwhile Fermenta Biotech Limited.

In accordance with the terms of the plan, as approved by the erstwhile shareholders of Fermenta Biotech Limited at an extra general meeting, executives and senior employees with the Company were granted options to purchase equity shares.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the performance-based formula and is subject to approval by the remuneration committee. The formula rewards executives and senior employees to the extent of the Company's and the individual's achievement judged against both qualitative and quantitative criteria.

The following share-based payment arrangements were in existence during the current year:

Options series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Plan 1 (60% of options granted under ESOP 2019)	101,614	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2025, 12.08.2025 and 28.02.2025	83.67	421.71 and 298.16
Plan 1 (20% of options granted under ESOP 2019)	49,526	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2026, 12.08.2026 and 28.02.2026	83.67	421.71 and 298.16
Plan 1 (20% of options granted under ESOP 2019)	28,270	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2027, 12.08.2027 and 28.02.2027	83.67	421.71 and 298.16
Plan 2 (100% of options granted under ESOP 2019)	217,410	25.02.2019	25.02.2025	83.67	418.22

Options granted under ESOP 2019 shall vest not before 1 (one) year and not later than maximum Vesting Period of 5 (five) years from the date of grant of such Options. Subject to the minimum vesting period of one year, the Nomination and Remuneration Committee of the Board at its discretion approve for acceleration of Vesting of any or all unvested Options of the Option Grantee.

The above number of options, fair value at grant dates and exercise price were adjusted in accordance with the Share exchange ratio (0.398:1) as per the scheme of amalgamation.

The above number of options, were adjusted for the Forfeited/ cancellation of option for fulfilment of year end assessment of ESOP vesting conditions.

60 Share-based payments *(Cont'd)*

1.2 Fair value of share options granted

The weighted average fair value of the share options granted during the financial year is Nil (previous year Nil). Options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been calculated based on a weighted average of vests. Expected volatility is based on the historical share price information of similar listed entities.

Inputs into the model	Option series			
	Plan 1 (60% of options granted under ESOP 2019)	Plan 1 (20% of options granted under ESOP 2019)	Plan 1 (20% of options granted under ESOP 2019)	Plan 2 (100% of options granted under ESOP 2019)
Grant date share price	298.16 and 298.16	298.16 and 298.16	298.16 and 298.16	418.22
Exercise price	83.67	83.67	83.67	83.67
Expected volatility	69.28% and 65.33%	68.83% and 61.84%	68.08% and 60.02%	69.28%
Option life	4.51 years and 4 years	5.51 years and 5 years	6.51 years and 6 years	4.51 years
Dividend yield	0% and 0.57%	0% and 0.57%	0% and 0.57%	0.00%
Risk-free interest rate	7.14% and 5.22%	7.25% and 5.53%	7.35% and 5.78%	7.14%

1.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	March 31, 2026		March 31, 2025	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	7,216	83.67	307,278	83.67
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Bonus options issued during the year	-	-	-	-
Exercised during the year	776	-	294,868	-
Expired during the year	2,700	-	5,194	-
Balance at end of year	3,740	-	7,216	-

1.4 Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 83.67 (as at March 31, 2025: ₹ 83.67), and a weighted average remaining contractual life of 0.96 year.

2.1 Fermenta Biotech Limited - Employee Stock Option Plan 2019

Grant during the financial year 2025-26

The number of stock options granted is determined in accordance with the performance-based formula approved by the Nomination and Remuneration Committee at its meeting held on January 12, 2025. The formula is designed to reward executives and senior employees based on the achievement of the Company's performance objectives as well as the individual's performance, assessed against both qualitative and quantitative criteria.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

60 Share-based payments *(Cont'd)*

The following share-based payment arrangements were in existence during the current year:

Options series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Plan 1 (1/3 of options granted under ESOP 2019)	81,863	01.04.2025	31.05.2029	83.67	201.48
Plan 1 (1/3 of options granted under ESOP 2019)	81,863	01.04.2025	31.05.2030	83.67	206.01
Plan 1 (1/3 of options granted under ESOP 2019)	81,863	01.04.2025	01.06.2031	83.67	212.14

Options granted under ESOP 2019 shall vest not before 1 (one) year and not later than maximum Vesting Period of 5 (Five) years from the date of grant of such Options. Subject to the minimum vesting period of one year, the Nomination and Remuneration Committee of the Board at its discretion approve for acceleration of Vesting of any or all unvested Options of the Option Grantee.

The above number of options, were adjusted for the Forfeited/ cancallation of option for fullment of year end assessment of ESOP vesting conditions.

2.2 Fair value of share options granted

The weighted average fair value of the share options granted during the financial year is ₹206.54 (previous year Nil). Options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been calculated based on a weighted average of vests. Expected volatility is based on the historical share price information of similar listed entities.

Inputs into the model	Option series		
	Plan 1 (1/3 of options granted under ESOP 2019)	Plan 1 (1/3 of options granted under ESOP 2019)	Plan 1 (1/3 of options granted under ESOP 2019)
Grant date share price	206.54	206.54	206.54
Exercise price	83.67	83.67	83.67
Expected volatility	48.35%	48.54%	53.52%
Option life	2.67 year	3.67 year	4.67 year
Dividend yield	0.46%	0.46%	0.46%
Risk-free interest rate	6.34%	6.34%	6.34%

2.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	March 31, 2026		March 31, 2025	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	-	-	-	-
Granted during the year	254,590	83.67	-	-
Forfeited during the year	9,000	-	-	-
Bonus options issued during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Balance at end of year	245,590	-	-	-

60 Share-based payments *(Cont'd)*

2.4 Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 83.67 (as at March 31, 2025: ₹ Nil), and a weighted average remaining contractual life of 3.67 year.

3.1 Fermenta Biotech Limited - Employee Stock Option Scheme 2025

Grant during the financial year 2025-26

The shareholders, at its meeting held on August 12, 2025, approved the ESOP Scheme, which provides for the grant of up to 500,000 (Five Lakh) stock options to eligible employees in one or more tranches. The Nomination and Remuneration Committee (Compensation Committee) is authorized to administer the ESOP Scheme and grant stock options in accordance with its provisions.

The number of stock options granted under the Fermenta Biotech Limited – Employee Stock Option Scheme 2025 ("ESOP Scheme") is determined in accordance with the performance-based formula prescribed under the Scheme. The formula is designed to reward executives and senior employees based on the achievement of the Company's performance objectives as well as the individual's performance, evaluated against both qualitative and quantitative criteria.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangements were in existence during the current year:

Options series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Plan 1 (1/2 of options granted under ESOP 2025)	28,250	08.01.2026	01.06.2030	83.67	267.42
Plan 1 (1/2 of options granted under ESOP 2025)	28,250	08.01.2026	01.06.2031	83.67	270.15

Options granted under ESOP 2025 shall vest not before 1 (one) year and not later than maximum Vesting Period of 5 (Five) years from the date of grant of such Options. Subject to the minimum vesting period of one year, the Nomination and Remuneration Committee of the Board at its discretion approve for acceleration of Vesting of any or all unvested Options of the Option Grantee.

The above number of options, were adjusted for the Forfeited/ cancellation of option for fulfilment of year end assessment of ESOP vesting conditions.

3.2 Fair value of share options granted

The weighted average fair value of the share options granted during the financial year is Nil (previous year Nil). Options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been calculated based on a weighted average of vests. Expected volatility is based on the historical share price information of similar listed entities.

Inputs into the model	Option series	
	Plan 1 (1/2 of options granted under ESOP 2025)	Plan 1 (1/2 of options granted under ESOP 2025)
Grant date share price	268.79	268.79
Exercise price	83.67	83.67
Expected volatility	50.39%	48.12%
Option life	2.9 year	3.9 year
Dividend yield	0.73%	0.73%
Risk-free interest rate	5.98%	6.14%

60 Share-based payments *(Cont'd)*

3.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	March 31,2026		March 31, 2025	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	–	–	–	–
Granted during the year	56,500	83.67	–	–
Forfeited during the year	–	–	–	–
Bonus options issued during the year	–	–	–	–
Exercised during the year	–	–	–	–
Expired during the year	–	–	–	–
Balance at end of year	**56,500**	**–**	**–**	**–**

3.4 Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 83.67 (as at March 31, 2025: ₹ Nil), and a weighted average remaining contractual life of 3.4 year.

61. Ratios

Ratio	Numerator (₹ in Lakhs)	Denominator (₹ in Lakhs)	March 31,2026	March 31,2025	% Variance	Reason for variance
Current Ratio	35,950.62	19,147.14	1.88	1.62	16.05	*
	(32,051.80)	(19,842.93)				
Debt-Equity Ratio	10,888.56	42,281.57	0.26	0.29	(10.34)	*
	(10,940.04)	(37,995.23)				
Debt Service Coverage Ratio	8,973.81	2,097.37	4.28	4.03	6.20	*
	(10,994.77)	(2,731.21)				
Return on Equity Ratio	6,428.36	40,138.40	0.16	0.19	(15.79)	*
	6,761.54	(34,708.92)				
Inventory turnover Ratio	45,025.27	11,256.69	4.00	4.97	(19.52)	*
	(43,053.17)	(8,654.21)				
Trade Receivables turnover Ratio	45,025.27	13,518.74	3.33	3.88	(14.18)	*
	(43,053.17)	(11,100.52)				
Trade payables turnover Ratio	18,940.50	6,389.32	2.96	2.73	8.42	*
	(16,002.17)	(5,865.56)				
Net capital turnover Ratio	45,025.27	16,803.48	2.68	3.53	(24.08)	*
	(43,053.17)	(12,208.87)				
Net profit Ratio	6,428.36	45,025.27	0.14	0.16	(12.50)	*
	6,761.54	(43,053.17)				
Return on Capital employed	9,375.94	52,908.62	0.18	0.18	–	*
	(8,861.96)	(48,707.33)				
Return on investment			Not applicable			

(Figures in brackets are the corresponding figures in respect of the previous year.)

* Ratio variance below threshold limit defined as per Schedule III of Companies Act 2013.

61. Ratios *(Cont'd)*

Current Ratio :	Current Assets/ Current Liabilities
Debt – Equity Ratio :	Total Debt/Shareholder's Equity
Debt Service Coverage Ratio :	Earnings available for debt service/Debt Service
	Earning for Debt Service = Profit /(loss) after Tax before Exceptional Items + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
	Debt service = Interest & Lease Payments + Principal Repayments
Return on Equity (ROE) :	Net Profits/(loss) after taxes before Exceptional Items – Preference Dividend (if any)/ Average Shareholder's Equity
Inventory Turnover Ratio :	Cost of goods sold OR sales/ Average Inventory
	Average inventory is (Opening + Closing balance / 2)
Trade receivables turnover Ratio :	Net Credit Sales/ Avg. Accounts Receivable
	Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bills receivables
	Average trade debtors = (Opening + Closing balance / 2)
Trade payables turnover Ratio :	Net Credit Purchases/ Average Trade Payables
Net capital turnover Ratio :	Net Sales / Working Capital
	Net sales shall be calculated as total sales minus sales returns.
	Working Capital shall be calculated as Current assets minus Current liabilities.
Net profit Ratio :	Net Profit/ Net Sales
	Net profit shall be after tax before exceptional items
	Net sales shall be calculated as total sales minus sales returns.
Return on capital employed (ROCE) :	Earning before interest and taxes and exceptional items/Capital Employed
	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

62. The Company entered into a Development Agreement dated July 26, 2022, with Mextech Property Developers LLP ("Mextech" or "the Developer"), granting development rights for construction of residential-cum-commercial buildings on the balance portion of its land in Thane, classified as investment property. As per the development agreement, in lieu of development rights transferred, Company is entitled to 1,20,000 sq ft carpet area in the new residential building. In the previous year, the Company executed a Supplementary Development Agreement (SDA) on June 10, 2024, and subsequently handed over physical possession of the project land to Mextech on June 16, 2024. The Company has received `1500 lakhs as refundable deposit from Mextech.

The Company has entered a development arrangement (DA) with a developer for development of its land parcel currently held as Investment property. Under such arrangement, the Company's performance obligation is to grant development rights over land in exchange for an agreed share of constructed area in the developed project. Based on the terms of the arrangement and in lieu of Expert Advisory Committee (EAC) Opinion issued on Revenue Recognition in a Joint Development Arrangement under AS framework, the Company evaluates whether development agreement constitutes joint arrangement under Ind AS 111. The Company does not undertake construction activities and is not considered to be providing construction services to the developer. Accordingly, the arrangement does not give rise to a performance obligation towards the developer under Ind AS 115. Instead, the Company earns income through sale of its share of constructed units to third-party customers. Accordingly Revenue represents consideration from sale of the Company's share of constructed units to third-party customers. Revenue is recognised in accordance with Ind AS 115 at point in time, when control of the real estate unit is transferred to the customer which coincides with completion of the project determined basis receipt of Occupancy Certificate, handover of the possession to the customer, and receipt of entire sale proceeds and when other conditions are met.

In addition, the Company has sold 24 flats in the under-construction residential building and received advances amounting to ₹ 1128.74 lakhs against these sales.

63. Relationship with Struck off companies

Company did not have any balance outstanding with companies struck off as per Ministry of corporate affairs (MCA).

64. Capitalisation of borrowing costs

Company has not capitalised any borrowing cost in current and previous year.

65. Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

(iv) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended 31st March,2026.

66. Events after the reporting period:

The company has evaluated subsequent events from the date through May 26, 2026, the date at which the financial statements were available to be issued and determined that there are no material adjusting items to disclose.

67. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

68. The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of account (Refer Note 24 and 28).

69. Exceptional item

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(i) Incremental impact as Statutory impact of new Labour Codes towards gratuity*	(210.52)	-
(ii) Provision for doubtful advances (write back)**	907.14	-
Total	**696.62**	**-**

*The Government has notified the Code on Social Security, 2020 ("Social Security Code"); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019 (collectively, the "Labour Codes") on 21 November 2025. The Ministry of Labour & Employment notified Central Rules on 8 May 2026 however State Rules are yet to be notified. The Company has evaluated the impact of increased employee benefits obligations arising from the implementation of the Labour Codes based on its best judgment in consultation with external experts. Accordingly, the Company has recognised ₹ 210.52 lakhs for year ended March 31, 2026.

** In the earlier years, the company had recognised provision against certain receivables and trade receivables. The company has recovered part amount of ₹ 907.14 lakhs against these provided balances and accordingly such provision has been reversed and recorded as an exceptional items in the current year.

70 In the previous year, the Company entered into a Deed of Assignment for the transfer of leasehold land located at Saykha, GIDC, Gujarat, for a total consideration of ₹1,870 lakhs. Out of this, ₹1,481.04 lakhs was outstanding as at March 31, 2025, and was subsequently received during the year ended March 31, 2026

71 Revenue from Contracts with Customer :

1. Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers;

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Type of goods or services		
Sale of products	43,722.26	37,208.05
Sale of services (environment solution services)	284.96	309.65
Rent and Service income from investment properties	667.77	839.26
Sale of investment properties	162.89	4,457.88
Other operating income	187.39	238.33
Total revenue from contract with customers	**45,025.27**	**43,053.17**
India	18,889.89	20,821.30
Outside India	26,135.38	22,231.87
Total revenue from contract with customers	**45,025.27**	**43,053.17**
Timing of revenue recognition		
Goods / sale of investment property transferred at a point in time	43,885.15	41,665.94
Services transferred over time (including other operating income)	1,140.12	1,387.23
Total revenue from contract with customers	**45,025.27**	**43,053.17**

71 Revenue from Contracts with Customer *(Cont'd)*

2. Contract balances

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Trade receivables (Refer Note 16)	13,720.56	13,316.91
Contract Assets	-	884.30
Contract liabilities	-	108.43
Deferred Revenue (Refer Note 27 and 31)	1,399.97	2,581.66

72 Business Combination (Transfer of business to subsidiary - on 'slump – sale' basis)

During the year, Company entered into Business Transfer Agreement dated September 19, 2025 to transfer 'Environment Division' as a going concern on 'slump -Sale basis ('identified business undertaking') to its wholly owned subsidiary, Fermenta Environment Solution Private Limited w.e.f October 01, 2025.

In accordance to above, the Company has transferred below assets and liabilities at their carrying values as at October 01, 2025 to Fermenta Environment Solution Private Limited for a consideration of ₹ 1,900 lakhs. Gain arising on such transfer amounts to ₹ 41.31 lakhs is recognised in the profit and loss accounts under the head other income.

(₹ in Lakhs)

Particulars	Amount as at October 01, 2025
Non-current assets	
a) Property, plant and equipment	11.41
b) Other Intangible assets*	-
c) Loans	5.95
Total Non - Current Assets (A)	**17.36**
Current assets	
a) Inventories	19.07
b) Trade receivables	609.31
c) Cash and cash equivalents	150.00
d) Loans	4.76
e) Other current assets	122.44
f) Contract assets	1,351.41
Total Current Assets (B)	**2,256.99**
Total Assets (C=A+B)	**2,274.35**

72 Business Combination (Transfer of business to subsidiary - on 'slump – sale' basis) *(Cont'd)*

(₹ in Lakhs)

Particulars	Amount as at October 01, 2025
Non-current liabilities	
Provisions	49.66
Total Non - Current Liabilities (D)	**49.66**
Current liabilities	
Trade payables	216.99
Other financial liabilities	10.26
Other current liabilities	28.78
Contract liability	109.97
Total Current Liabilities (E)	**366.00**
Total Liabilities (F=D+E)	**415.66**
Net assets transfered (G=C-F)	**1,858.69**
Sale Consideration (H)	**1,900.00**
Gain / Excess of consideration received over net assets transferred (I = G-H)	**41.31**

*Other Intangible assets consists of gross block of ₹ 12.16 lakhs and accumulated amortisation of ₹ 12.16 lakhs.

73 Previous year figures have been re-grouped /re-classified wherever necessary

74 The Standalone financial statements were approved for issue by the Board of Directors on May 26, 2026.

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

Thane, May 26, 2026

INDEPENDENT AUDITOR'S REPORT

To

The Members of
Fermenta Biotech Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of **Fermenta Biotech Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, associate 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Provision for Inventory obsolescence (as described in Note 15 of the consolidated financial statements	
As at March 31, 2026, the carrying amount of inventories amounted to ₹ 15,253.97 lakh after considering allowances for Inventory. Inventories are carried at lower of cost and net realisable value in accordance with the accounting policy of the Group. The Group makes provision for inventory based on category of products, experience, age of Inventory, current trend and future expectations of forecast inventory demand, product expiry dates, estimates for future selling price and plans to dispose of inventories that are close to expiry. The provision for inventory obsolescence has been considered as a key audit matter, as determination of provision for inventory involves significant management judgment and estimates.	Our audit procedures included the following: Obtained an understanding of management's process to identify slow-moving, obsolete and other non-saleable inventory, and process of consequent measurement of required provision for obsolescence. Evaluated the design, implementation and tested the operating effectiveness of key controls that the Group has in relation to aforesaid process For the provisions made in respect of expired or near expiry inventory balances, tested such identification from the batch-wise expiry information and reperformed computations to validate the accuracy and completeness of such provision estimates For provisions made in respect of slow moving and non-saleable Inventory, discussed with management the triggers taken into account for such identification and evaluated the same in view of our understanding of the business and industry conditions. Assessed the management's estimates regarding the expected timing by which the balance inventory of aforesaid specific products would be sold basis past trends and market conditions. Further, reperformed computations to validate the accuracy and completeness of such provision estimates. Also compared carrying cost to recent sales or to the estimated selling price applied in assessing the Net Realizable Value. Assessed the adequacy of disclosures made in the consolidated financial statements

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the 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. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

(a) We did not audit the financial statements and other financial information, in respect of 3 subsidiaries, whose financial statements include total assets of ₹ 3,631.62 lakhs as at March 31, 2026, and total revenues of ₹ 4,920.81 lakhs and net cash outflows of ₹ 459.92 lakhs for the year ended on that date. Those financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary whose financial statements and other financial information reflect total assets of ₹ 50.34 lakhs as at March 31, 2026, and total revenues of ₹ nil lakhs and net cash inflow of ₹ 3.08 lakhs for the year ended on that date. Those unaudited financial statements and other unaudited financial information have been furnished to us by the management.

The consolidated financial statements also include the Group's share of net profit of ₹ Nil lakhs for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of 1 associate whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of the above subsidiary and associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g)

(g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of such subsidiary company incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion and based on the consideration of report of other statutory auditor of the subsidiary incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company, its subsidiary, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiaries, , as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 61 to the consolidated financial statements;

ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2026.

iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary 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 respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiary, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary 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; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 56 to the consolidated financial statements, the Board of Directors of the Holding Company incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend

vi. Based on our examination which included test checks and that performed by the respective auditor of the subsidiary incorporated in India whose financial statements have been audited under the Act, the Holding Company and its subsidiary have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights, as described in Note 69 to the consolidated financial statements. Further, during the course of our audit, we and auditor of the subsidiary did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled. Additionally, the audit trail of relevant prior year has been preserved by the Holding Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective years.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454
UDIN: 26136454FSCSHN7287

Place of Signature: Mumbai
Date: May 26, 2026

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the auditor in the Companies (Auditors Report) Order (CARO) report of the Holding Company included in the consolidated financial statements are:

Entity Name	CIN	Holding/ Subsidiary	Clause number of the CARO report which is qualified or is adverse
Fermenta Biotech Limited	L99999MH1951PLC008485	Holding Company	(i) (c)
			(iii) (c)
			(iii) (e)
			(iii) (f)
Fermenta Environment Solutions Private Limited	U37003MH2025PTC447303	Subsidiary	(xvii)

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454
UDIN: 26136454FSCSHN7287

Place of Signature: Mumbai
Date: May 26, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF FERMENTA BIOTECH LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Fermenta Biotech Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") , which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Group , which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to 1 subsidiary incorporated in India, is based on the corresponding report of the auditor of such subsidiary incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454
UDIN: 26136454FSCSHN7287

Place of Signature: Mumbai
Date: May 26, 2026

CONSOLIDATED BALANCE SHEET as at March 31, 2026

(₹ in Lakhs)

Particulars	Notes	March 31, 2026	March 31, 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	20,562.04	21,005.86
b) Capital work-in-progress	4	1,279.04	1,590.73
c) Right-of-use assets	5	492.77	619.33
d) Investment property	6A	308.34	318.71
e) Goodwill	6B	411.65	411.65
f) Other intangible assets	7	229.76	299.76
g) Intangible assets under development	8	31.93	-
h) Investments			
Investments in an associate	9A	-	-
i) Financial assets			
i) Investments	9B	41.94	48.63
ii) Share application money	10	-	-
iii) Loans	11	115.94	21.78
iv) Others financial assets	12	534.52	502.92
j) Deferred tax assets (net)	58C	1,835.91	2,864.41
k) Non-current tax assets	13	46.52	186.80
l) Other non-current assets	14	101.33	53.53
Total non-current assets		**25,991.69**	**27,924.11**
Current assets			
a) Inventories	15	15,253.97	12,365.13
b) Financial assets			
i) Trade receivables	16	11,159.08	9,522.64
ii) Cash and cash equivalents	17	3,169.46	2,823.96
iii) Bank balances other than (ii) above	18	964.85	4,345.93
iv) Loans	19	6.83	111.03
v) Other financial assets	20	5,324.74	1,537.76
c) Other current assets	21	2,358.26	1,932.67
d) Contract Assets		565.02	884.30
Total current assets		**38,802.21**	**33,523.42**
TOTAL ASSETS		**64,793.90**	**61,447.53**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	22	1,433.53	1,458.45
b) Other equity	23	39,187.85	34,808.77
Equity attributable to the owners of the Company		**40,621.38**	**36,267.22**
c) Non-controlling interests		(566.79)	(415.69)
Total equity		**40,054.59**	**35,851.53**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	24	789.93	1,504.76
ii) Lease liabilities	44	318.08	444.37
iii) Other financial liabilities	25	1,671.90	1,662.46
b) Provisions	26	1,074.08	780.59
c) Other non-current liabilities	27	7.89	16.22
Total non-current liabilities		**3,861.88**	**4,408.40**
Current liabilities			
a) Financial liabilities			
i) Borrowings	28	10,098.61	9,435.28
ii) Lease liabilities	44	126.30	109.16
iii) Trade payables	29		
a) Total outstanding dues of micro and small enterprises		450.86	387.87
b) Total outstanding dues of creditors other than micro and small enterprises		7,264.18	7,360.83
iv) Other financial liabilities	30	775.01	438.19
b) Other current liabilities	31	1,703.99	2,817.13
c) Provisions	32	101.21	89.66
d) Current tax liabilities	33	184.27	441.05
e) Contract Liability		173.00	108.43
Total current liabilities		**20,877.43**	**21,187.60**
TOTAL EQUITY AND LIABILITIES		**64,793.90**	**61,447.53**
See accompanying notes to the Consolidated financial statements	1 to 73		

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

Thane, May 26, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	34	52,542.94	46,947.73
Other income	35	2,238.52	1,181.85
Total Income		**54,781.46**	**48,129.58**
EXPENSES			
Cost of materials consumed	36	14,875.93	12,994.93
Purchases of stock-in-trade		4,364.20	5,965.61
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	(47.02)	(3,116.09)
Employee benefits expense	38	8,259.43	6,510.43
Finance costs	39	1,153.76	1,419.20
Depreciation and amortisation expense	40	2,169.68	2,421.83
Other expenses	41	15,107.01	13,612.89
Total expenses		**45,882.99**	**39,808.80**
Profit before Exceptional Items and tax		**8,898.47**	**8,320.78**
Exceptional Items	66	687.58	-
Profit after Exceptional Items and before tax		**9,586.05**	**8,320.78**
Tax expense:			
Current tax		1,525.58	1,312.24
Deferred tax charge / (credit)		1,035.04	(631.74)
Total tax expense	**58**	**2,560.62**	**680.50**
Profit for the year after tax but before share of profit /(loss) of an associate		**7,025.43**	**7,640.28**
Share of profit /(loss) of an associate		-	-
Net profit after tax		**7,025.43**	**7,640.28**
Other comprehensive income :			
a) Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit plan		36.63	(112.48)
(ii) Income tax relating to remeasurements of defined benefit plan		(8.23)	32.75
b) Items that will be reclassified to profit or loss			
(i) Exchange differences in translating the financial statements of foreign operations		(684.31)	(116.11)
(ii) Net fair value change in investment in equity instruments through other comprehensive income		(6.68)	5.26
(iii) Income tax relating to fair value change in investments in equity instruments through other comprehensive income		1.68	-
Total other comprehensive income for the year (a+b)		**(660.91)**	**(190.58)**
Total comprehensive income for the year		**6,364.52**	**7,449.70**
Attributable to:			
- Owners of the Company		7,176.53	7,686.18
- Non-controlling interests		(151.10)	(45.90)
		7,025.43	**7,640.28**
Total comprehensive Income for the year attributable to:			
- Owners of the Company		6,515.62	7,495.60
- Non-controlling interests		(151.10)	(45.90)
		6,364.52	**7,449.70**
Earnings per equity share of ₹ 5 each before exceptional items	42		
- Basic (in ₹)		23.02	26.35
- Diluted (in ₹)		22.16	26.35
Earnings per equity share of ₹ 5 each after exceptional items	42		
- Basic (in ₹)		24.70	26.35
- Diluted (in ₹)		24.51	26.35
See accompanying notes to the Consolidated financial statements	1 to 73		

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

Thane, May 26, 2026

CONSOLIDATED STATEMENT OF CASH FLOW
for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
A. Cash flows from operating activities		
Profit after Exceptional Items and before tax	9,586.05	8,320.78
Adjustments for:		
- Depreciation and amortisation expenses	2,169.68	2,421.83
- Net unrealised foreign exchange (gain) / loss	(85.61)	318.44
- Gain on sale of property, plant and equipment and investment property (net)	(173.38)	(3,961.86)
- Proceeds on sale of Investment Property	162.89	4,663.59
- Expected credit loss on financial assets	374.75	117.24
- Share based payments to employees	295.30	-
- Finance costs	1,153.76	1,419.20
- Interest income	(475.26)	(275.36)
- Unwinding of interest on financial assets carried at amortised cost	(6.03)	(141.81)
- Dividend income	(86.40)	(90.97)
- Liabilities / provisions no longer required written back (net)	(342.32)	(172.71)
- Provision no longer required written back of inventory	(1,023.73)	(414.00)
- Net (gain) on fair value changes of derivatives measured at FVTPL	(2.80)	(0.90)
- Exceptional items	219.56	-
Operating profit before working capital changes	**11,766.46**	**12,203.47**
Movements in working capital:		
- Increase in trade receivables	(932.78)	(3,415.77)
- Increase in inventories	(1,674.61)	(3,212.71)
- Decrease / (Increase) in other assets	1,312.19	(2,481.17)
- Increase in trade payables	1,093.33	1,378.97
- Increase in provisions	341.67	115.88
- Decrease in other liabilities	(980.81)	(221.35)
Cash generated from operations	**10,925.45**	**4,367.32**
- Income taxes payment net of refund	(1,642.08)	(277.12)
Net cash generated from operations (A)	**9,283.37**	**4,090.20**
B. Cash flows from investing activities		
- Payments for purchase of property, plant and equipment, investment property, capital work-in-progress, intangible assets and intangible assets under development	(3,033.46)	(2,213.32)
- Proceeds on sale of property, plant and equipment	10.91	1,925.09
- Repayment of loan given to employee /Intercorporate deposits placed	10.04	379.41
- Interest received	304.27	311.64
- Dividend received	86.40	90.97
- Bank Deposits (placed) / realised	(1,677.79)	(509.74)
Net cash (used in) investing activities (B)	**(4,299.63)**	**(15.95)**

CONSOLIDATED STATEMENT OF CASH FLOW
for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
C. Cash flows from financing activities		
– Proceeds from non current borrowings	43.03	-
– Repayment of non current Borrowings	(1,784.86)	(3,334.45)
– Treasury Shares acquired by ESOP Trust	(1,728.19)	-
– Proceeds from shares issued by ESOP Trust	0.65	246.72
– Proceeds / (Repayment) of current borrowings (net)	1,220.90	(247.98)
– Finance cost paid	(1,102.46)	(1,244.72)
– Repayment of Lease Liabilities	(148.71)	(144.97)
– Dividends paid	(729.22)	(361.18)
Net cash (used in) financing activities (C)	**(4,228.86)**	**(5,086.58)**
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	**754.88**	**(1,012.34)**
Cash and cash equivalents at the beginning of the year	662.79	1,675.13
Cash and cash equivalents at the end of the year	**1,417.67**	**662.79**
Components of cash and cash equivalents		
Cash on hand	30.89	21.23
Balances with banks		
– In current accounts	3,138.57	2,802.73
– In deposit accounts with original maturity for less than 3 months	-	-
Cash and cash equivalents (Refer Note 17)	**3,169.46**	**2,823.96**
Bank overdraft / Cash credit facilities (Refer Note 28)	(1,751.79)	(2,161.17)
Total cash and cash equivalents considered for cash flows	**1,417.67**	**662.79**

See accompanying notes to the Consolidated financial statements 1 to 73

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

Thane, May 26, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(a) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	**1,458.45**	**1,443.71**
Add: Shares issued during the year on stock option exercise (Refer Note 22[a])	0.04	14.74
Less : Treasury share aquired by ESOP Trust (Refer Note 22[a])	(24.96)	-
Balance at the end of the year	**1,433.53**	**1,458.45**

(b) OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and surplus									Items of other comprehensive income		Attributable to the Owners of the Parent Company	Non Controlling Interest	Total
	Capital reserve	Capital reserve pursuant to amalgamation	Capital redemption reserve	Treasury Shares held by ESOP Trust	Securities premium reserve	Unrealised gain/(loss) on dilution	General reserve	Share options outstanding account	Retained earnings	Foreign currency translation reserve	Equity instruments through OCI			
Balance as at April 01, 2024	**1,140.00**	**39.72**	**70.00**	**-**	**236.89**	**(4,242.26)**	**3,742.10**	**1,273.45**	**25,292.71**	**(149.36)**	**39.14**	**27,442.39**	**(369.79)**	**27,072.60**
Profit for the year	-	-	-	-	-	-	-	-	7,686.18	-	-	7,686.18	(45.90)	7,640.28
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	-	(79.73)	(116.11)	5.26	(190.58)	-	(190.58)
Transfer to equity share capital on exercise of options	-	-	-	-	1,243.47	-	-	(1,243.47)	-	-	-	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	231.96	-	-	-	-	-	-	231.96	-	231.96
Payment of dividend (gross)	-	-	-	-	-	-	-	-	(361.18)	-	-	(361.18)	-	(361.18)
Balance as at March 31, 2025	**1,140.00**	**39.72**	**70.00**	**-**	**1,712.32**	**(4,242.26)**	**3,742.10**	**29.98**	**32,537.98**	**(265.47)**	**44.40**	**34,808.77**	**(415.69)**	**34,393.08**
Profit for the year	-	-	-	-	-	-	-	-	7,176.53	-	-	7,176.53	(151.10)	7,025.43
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	-	28.40	(684.31)	(5.00)	(660.91)	-	(660.91)
Transfer to equity share capital on exercise of options	-	-	-	-	3.27	-	-	(3.27)	-	-	-	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	0.61	-	-	-	-	-	-	0.61	-	0.61
Payment of dividend (gross)	-	-	-	-	-	-	-	-	(729.22)	-	-	(729.22)	-	(729.22)
Treasury share acquired by ESOP Trust	-	-	-	(1,703.24)	-	-	-	-	-	-	-	(1,703.24)	-	(1,703.24)
Recognition of share based payments	-	-	-	-	-	-	-	295.30	-	-	-	295.30	-	295.30
Balance as at March 31, 2026	**1,140.00**	**39.72**	**70.00**	**(1,703.24)**	**1,716.20**	**(4,242.26)**	**3,742.10**	**322.01**	**39,013.69**	**(949.78)**	**39.40**	**39,187.85**	**(566.79)**	**38,621.05**

See accompanying notes to the Consolidated financial statements 1 to 73

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer
Thane, May 26, 2026

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

1 CORPORATE INFORMATION

Fermenta Biotech Limited (Formerly Known as DIL Limited or 'the Parent Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1913. Its shares are listed on Bombay Stock Exchange.

The registered office of the Company is located at A- 1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) 400610. The Parent and its subsidiaries (together referred to as "the Group") is primarily engaged in the business of manufacturing and marketing of chemicals, bulk drugs, enzymes, pharmaceutical formulations and environmental solution products and renting properties. The Group caters to both domestic and international markets. The Group also has strategic investments in subsidiaries / associate companies primarily dealing in manufacturing and marketing bulk drugs and providing services of sporting and health awareness activities / education activities.

2. MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

The consolidated financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards)Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to consolidated financials statement.

Accordingly, the Holding Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

These financial statements are approved for issue in accordance with a resolution of the board of directors on 26 May 2026.

2.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis, except for: (i) certain financial instruments that are measured at fair values at the end of each reporting period; and (ii) defined benefit plan – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The consolidated financial statements are presented in INR, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

a) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company, and its subsidiaries as disclosed in Note 46. Control is achieved when the Parent Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

Profit or loss and each component or other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owner of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-Group balances, transactions including unrealised gain / loss from such transactions and cash flows relating to transactions between members of the Group are eliminated upon consolidation.

(c) Operating cycle and current / non -current classification

Based on the nature of products / activities of the Group and the normal time between acquisition of assets/liabilities and their realization/settlement in cash and cash equivalents, the Group has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(d) Changes in the Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in 'Other equity' under 'gain / (loss) on dilution' and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

(e) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(f) Investments in associates

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. When the Group's share of losses of an associate exceeds its interest in that associate, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has obligations or has made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate and discontinues from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

(g) Foreign currencies

Foreign currency transactions

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are translated at exchange rates at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate). When a foreign operation is disposed of, the relevant amount in the Foreign Currency Translation Reserve is reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing costs includes exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to the finance cost.

(i) Employee Benefits

i) Short term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

ii) **Termination benefits:**

A) **Defined contribution plans:** The Group contributes towards state governed provident fund scheme, employee state insurance scheme (ESIC) and labour welfare fund to all applicable employees and superannuation scheme for eligible employees. The Group has no further payment obligations once the contributions have been paid. Hence payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

B) **Defined benefit plan:** The employees' gratuity fund scheme represents the defined benefit plan. The cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of changes to the assets (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) net interest expenses or income; and

iii) remeasurement

The Group presents the first two components of defined benefit costs in the consolidated statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service cost.

iii) **Share-based payments:**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 60.

(a) Includes impact of market performance conditions (e.g. entity's share price)

(b) Excludes impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and

(c) Excludes the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time)

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the "Share options outstanding account".

(j) Treasury Shares

Treasury shares are the own equity instruments of the Company that are re-acquired by the Company. Treasury shares are recognised at cost and the par value of treasury shares is reduced from equity share capital whereas the difference between cost and par value is deducted from treasury shares held by ESOP trust under other equity. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Securities premium. Treasury shares are allotted towards exercise of share options.

(k) Income Taxes

Income Tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances

ii) Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognized for all the deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

iii) Presentation of current and deferred tax:

Current and deferred tax are recognized in the profit and loss, except when they relate to items that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

(l) Revenue recognition

The group derives revenue primarily from sale of manufactured chemicals, bulk drugs. Enzymes, pharmaceutical formulations, environmental solutions products and services and rental income from investment property. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts offered by the group as part of the agreed contractual terms and excluding taxes or duties collected on behalf of the government. No element of financing is deemed present as majority of sales are on cash basis and credit sales are made with normal credit period consistent with market practice.

Sale of Goods/ Investment Property:

The Group recognises revenue when it transfers control of a product or service to a customer. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer or delivery basis. Control is considered to be transferred to the customer:

- when the customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery,
- the customer has full discretion over the manner of distribution and price to sell the goods,
- the customer has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Revenue received in connection with sale of goods is deferred and recognized over the period in which it satisfies the performance obligation by transferring promised good or service to a customer.

Recognition of revenue from contractual projects

Revenue from contractual project is recognized over time, using an input method with reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

The Group recognizes revenue only when it can reasonably measure its progress in satisfying the performance obligation. Until such time, the Group recognizes revenue to the extent of cost incurred, provided the Group expects to recover the costs incurred towards satisfying the performance obligation.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately when such probability is determined.

Rental income from investment property

Lease income from operating leases where the Group is a lessor is recognised as income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Rendering of services:

Revenue from services rendered is recognised pro-rata over the period of the contract as the underlying services are performed.

Infrastructure support services, consists of maintenance of common area in the investment property and supply of essentials. Revenue from such services are recognised in accordance with the terms of the agreement entered into with individual lessees.

Transfer of Development Rights / Revenue from real-estate projects:

The Parent Company has entered a development arrangement (DA) with a developer for development of its land parcel currently held as Investment property. Under such arrangement, the Parent Company's performance obligation is to grant development rights over land in exchange for an agreed share of constructed area in the developed project. Based on the terms of the arrangement and in lieu of Expert Advisory Committee (EAC) Opinion issued on Revenue Recognition in a Joint Development Arrangement under AS framework, the Parent Company evaluates whether development agreement constitutes joint arrangement under Ind AS 111. The Parent Company does not undertake construction activities and is not considered to be providing construction services to the developer. Accordingly, the arrangement does not give rise to a performance obligation towards the developer under Ind AS 115. Instead, the Parent Company earns income through sale of its share of constructed units to third-party customers.

(a) Basis and Timing of Revenue Recognition - Revenue represents consideration from sale of the Parent Company's share of constructed units to third-party customers. Revenue is recognised in accordance with Ind AS 115 at point in time, when control of the real estate unit is transferred to the customer which coincides with completion of the project determined basis receipt of Occupancy Certificate, handover of the possession to the customer, and receipt of entire sale proceeds and when other conditions are met.

(b) Measurement of Revenue – Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer for or sale of the Parent Company's share of constructed units

(c) Advances from Customers - Amounts received from customers for sale of units prior to transfer of control are recognised as contract liabilities (advances from customers) and recognised as revenue when the recognition criteria are met.

Interest and dividend:

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Interest on income tax refund is recognised on receipt of refund order.

Dividend income is recognized when the Group's right to receive payment is established which is generally when shareholders approve the dividend.

Export Incentives:

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and net benefit / obligation is accounted by making suitable adjustments in raw material consumption.

The benefit under the Duty Drawback, Mercantile Export Incentive Scheme and other schemes as per the Import and Export policy in respect of exports made under the said schemes is included as 'Export Incentives' under the head "Other Operating Revenue" in the consolidated statement of profit and loss and is accounted in the year of export.

Scrap Sales:

Sale of scrap is recognised at the time of satisfaction of performance obligation i.e. upon transfer of control of products to the customers which coincides with their delivery to customer.

Contract balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

Trade receivables

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in point (r) below.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

(m) Property, plant and equipment (PPE)

Measurement at recognition:

Items of property, plant and equipment are stated in balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of property, plant and equipment and is recognised in profit or loss.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work-in-progress) less their residual values on straight-line method over their useful lives as indicated in Part C of Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment are as follows:

Assets	Estimated useful life (in years)
Buildings	30-60
Lease hold improvements (included in buildings)	5-10 (Over the lease term)
Plant and equipment	5-20
Office Equipment (included in plant and equipment)	5-6
Computers (included in plant and equipment)	3-6
Furniture and fixtures	6-10
Vehicles	8

(n) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes) and subsequent sale as and when required. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Investment properties are depreciated using the straight-line method to allocate the cost of assets over their estimated useful lives. Investment properties generally have useful lives of 15–60 years. The useful lives have been determined based on technical evaluation performed by the management's expert.

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

(a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property

(b) commencement of development with a view to sale, for a transfer from investment property to inventories

(c) end of owner-occupation, for a transfer from owner-occupied property to investment property;

(d) commencement of an operating lease to another party, for a transfer from inventories to investment property

Sale of investment Property

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized and is recognized under revenue from operation.

Revenue pertaining to performance obligation pending as on the date of sale is deferred till the performance obligation is not completed.

The estimated useful lives of Investment property are as follows:

Assets	Estimated useful life (in years)
Building	60
Plant and equipment	15

(o) Intangible assets

(a) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from use or disposal. Any gain or loss arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated statement of profit and loss when the assets is derecognised.

(b) Internally-generated intangible assets - Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An Internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if and only if, all the below stated conditions are fulfilled:

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

(ii) its intention to complete the asset and use or sell it;

(iii) its ability to use or sell the asset;

(iv) how the asset will generate probable future economic benefits;

(v) the availability of adequate resources to complete the development and to use or sell the asset; and

(vi) the ability to measure reliably the expenditure attributable to the intangible asset during development.

The amount initially recognised for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible assets first meets the recognition criteria listed above. Where no internally-generated intangible assets can be recognised, development expenditure is recognised in the consolidated statement of profit and loss in the period in which incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible as intangible assets that are acquired separately.

The estimated useful lives of intangible assets are as follows:

Assets	**Estimated useful life (in years)**
Computer software	3-6
Product know-how	3-5

(p) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the assets belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for a reasonable and consistent allocation basis to be identified.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (a Group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Group suitably adjusted for risks specified to the estimated cash flows of the asset.

For this purpose, a cash generating unit is ascertained as the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

If recoverable amount of an asset (or a cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the consolidated statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or a cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

(q) Impairment of goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Any impairment loss for goodwill is recognised directly in profit or loss and is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(r) Inventories

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade and finished goods are measured at the lower of cost and net realisable value.

Method of Valuation

The cost of all categories of inventories is based on the weighted average method. Cost of raw materials and packing materials and stock-in-trade comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

(s) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value excluding trade receivables which is recorded at transaction cost. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial asset on initial recognition. Transaction costs directly attributable to the acquisition of financial assets as at fair value through profit or loss are recognised immediately in profit or loss. All regular way purchases or sales of financial assets are recognised or derecognised on a trade date basis. Regular way purchases or sales of financial assets are financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories -

(1) Debt instruments at amortised cost

(2) Debt instruments at fair value through other comprehensive income (FVTOCI)

(3) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

(4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(1) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income of the Statement of profit and loss. The losses arising from impairment are recognised in the Statement of profit or loss.

(2) Debt instrument at FVTOCI

A 'debt instrument' is measured as at FVTOCI, if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the contractual terms of the instrument that give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.
- Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(3) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(4) Equity Instruments

All equity Instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument including foreign exchange gain or loss, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to consolidated statement of profit and loss, even on sale of investment. However, the Group may transfer cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

1) The contractual rights to receive cash flows from the asset have expired, or

2) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) The Group has transferred substantially all the risks and rewards of the asset, or

(b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement; in that case the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial assets, and guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchase or originated credit-impaired financial assets). The Group estimates cash flow by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if a default occurs within the 12-months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12-months.

If the Group's measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risks has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making an assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Financial liabilities and equity instruments

Classification as debts or equity:

Debts and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue cost.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in consolidated statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities:

Initial recognition and measurement:

All financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the issue of financial liabilities as at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts, issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit, or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit and loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the company that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Fair value is determined in the manner described in Note 51.

Financial liabilities at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments:

The Company enters a variety of derivative financial instruments to manage its exposure to interest rate, foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

(t) Leasing

The Group as a lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Ind AS 116 does not change substantially how a lessor accounts for leases. Under Ind AS 116, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently. However, Ind AS 116 has changed and expanded the disclosures required, in particular with regard to how a lessor manages the risks arising from its residual interest in leased assets.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for Residential premises, Office Premises, Godown, Industrials land and Vehicle. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets and lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Also refer Note 44.

In respect of short-term leases and leases of low-value assets, the Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(u) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows when the effect of the time value of money is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent assets are not recognized in the consolidated financial statements of the Group. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

(v) Earnings per share

The Group presents basic and diluted earnings per share data for its equity shares.

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(w) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of cash credit / overdraft balances as they are considered an integral part of the Group's cash management.

(x) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments of the Group and accordingly is identified as the chief operating decision maker.

(y) Dividends

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(z) Use of estimates and judgements

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Fair value measurement of financial instruments:

When the fair values of financials assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Useful lives of property, plant and equipment, investment property and intangible assets:

Property, plant and equipment, investment property and intangible assets represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time when the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Assets and obligations relating to employee benefits:

The employment benefit obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

Tax expense: [Refer Note 2(k) and Note 58]

The Parent Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, if any, including amount expected to be paid/recovered for uncertain tax positions. Further, significant judgement is exercised to ascertain amount of deferred tax asset (DTA) that could be recognised based on the probability that future taxable profits will be available against which DTA can be utilized and amount of temporary difference in which DTA cannot be recognised on want of probable taxable profits.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Parent Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists

Valuation of investment property [Refer Note 57]

Impairment of tangible and intangible assets other than goodwill [Refer Note 2(p)]

Impairment of Goodwill [Refer Note 2(q)]

Provisions: [Refer Note 2(u)]

Write down in value of inventories: (Refer Note 15)

(za) Recent accounting pronouncements

Standard notified but not yet effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Group financial statements are disclosed below. The Group will adopt these new and amended standards, when they become effective.

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants and Ind AS 10 Events after the Reporting Period

Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver granted before the financial statements were approved for issue of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event.

For annual reporting periods beginning on or after April 1, 2026, any breach of a covenant whether material or immaterial occurring on or before the reporting date will, in accordance with Ind AS 1, require the related liability to be classified as current, unless the lender has granted a waiver of the breach on or before the reporting date and has agreed not to demand repayment for at least 12 months after the reporting date as a consequence of the breach. Such a waiver shall be treated as an adjusting event.

The amendments are effective for annual reporting periods beginning on or after April 1, 2026 retrospectively in accordance with Ind AS 8.

3. Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Leasehold Improvements	Total
At cost or deemed cost as at April 01, 2024	**34.30**	**10,071.21**	**19,280.68**	**704.29**	**1,022.17**	**2,116.39**	**33,229.04**
Additions	-	29.85	393.01	0.50	46.80	375.16	845.32
Disposals	-	-	(44.07)	(7.47)	-	(1,900.27)	(1,951.81)
Balance as at March 31, 2025	**34.30**	**10,101.06**	**19,629.62**	**697.32**	**1,068.97**	**591.28**	**32,122.55**
Additions	-	552.07	706.94	51.46	95.44	-	1,405.91
Disposals	-	-	(10.70)	(0.24)	(33.47)	-	(44.41)
Balance as at March 31, 2026	**34.30**	**10,653.13**	**20,325.86**	**748.54**	**1,130.94**	**591.28**	**33,484.05**
Accumulated depreciation							
As at April 01, 2024	**-**	**1,752.74**	**6,518.38**	**451.21**	**377.53**	**486.81**	**9,586.67**
Depreciation expense	-	362.87	1,252.68	40.36	113.64	81.45	1,851.00
Disposals	-	-	(32.89)	(7.47)	-	(280.62)	(320.98)
Balance as at March 31, 2025	**-**	**2,115.61**	**7,738.17**	**484.10**	**491.17**	**287.64**	**11,116.69**
Depreciation expense	-	389.12	1,261.36	40.93	119.50	38.38	1,849.29
Disposals	-	-	(10.26)	(0.24)	(33.47)	-	(43.97)
Balance as at March 31, 2026	**-**	**2,504.73**	**8,989.27**	**524.79**	**577.20**	**326.02**	**12,922.01**
Carrying amount							
As at March 31, 2025	**34.30**	**7,985.45**	**11,891.45**	**213.22**	**577.80**	**303.64**	**21,005.86**
As at March 31, 2026	**34.30**	**8,148.40**	**11,336.59**	**223.75**	**553.74**	**265.26**	**20,562.04**

(Refer Notes 24 and 28- For details of assets pledged as security)

(Refer Note 60 for contractual commitments for the acquistion of Property, plant and equipment)

4. Capital work-in-progress

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Project in progress	1,279.04	1,590.73
Projects temporarily suspended	-	-
Total	**1,279.04**	**1,590.73**

Movement of Capital work-in-progress

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening Balance	1,590.73	161.57
Addition during the year	3,112.48	2,274.48
Capitalised during the year	(3,424.17)	(845.32)
Total	**1,279.04**	**1,590.73**

CWIP mainly comprises of Capacity enhancement of Cholesterol, biotech facility, calcifediol project spray dryer capacity and other upgradation projects. Previous year mainly comprises of Multi level Car parking being constructed and other upgradation projects.

Ageing of Capital work-in-progress

(₹ in Lakhs)

Capital Work-in-progress (CWIP)	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2026					
Project in progress	**1,253.50**	**-**	**25.54**	**-**	**1,279.04**
Balance as at March 31, 2025					
Project in progress	1,565.19	25.54	-	-	1,590.73

4. Capital work-in-progress *(Cont'd)*

CWIP completion schedule for project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2026

(₹ in Lakhs)

Project Overdue	To be completed in				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Reactor with Accessories for Saponification Process	25.54	-	-	-	25.54
Total	**25.54**	**-**	**-**	**-**	**25.54**

Projects cost consists of Accessories for Saponification process.

CWIP completion schedule for project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025

(₹ in Lakhs)

Project Overdue	To be completed in				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Reactor with Accessories for Saponification Process	25.54	-	-	-	25.54
Total	**25.54**	**-**	**-**	**-**	**25.54**

5. Right of use assets

(₹ in Lakhs)

Particulars	Leasehold land	Buildings	Total
At Cost			
As at April 01, 2024	**1,055.85**	**1,054.38**	**2,110.23**
Additions	-	-	-
Disposals*	(839.88)	-	(839.88)
Balance as at March 31, 2025	**215.97**	**1,054.38**	**1,270.35**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2026	**215.97**	**1,054.38**	**1,270.35**
Accumulated depreciation			
As at April 01, 2024	**91.78**	**475.11**	**566.89**
Depreciation expenses	16.96	116.72	133.68
Disposals*	(49.55)	-	(49.55)
Balance as at March 31, 2025	**59.19**	**591.83**	**651.02**
Depreciation expense	9.84	116.72	126.56
Disposals	-	-	-
Balance as at March 31, 2026	**69.03**	**708.55**	**777.58**
Carrying amount			
As at March 31, 2025	**156.78**	**462.55**	**619.33**
As at March 31, 2026	**146.94**	**345.83**	**492.77**

(Refer Notes 24 and 28- For details of assets pledged as security)

(Refer Note 44 for Lease)

*[Disposal in previous year March 31, 2025, comprises of sale of Saykha land (Refer Note 67)]

6A. Investment property

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Total
At cost or deemed cost as at April 01, 2024	**3.82**	**567.54**	**84.58**	**655.94**
Additions	-	-	-	-
Disposal	(2.10)	(218.69)	(46.10)	(266.89)
Balance as at March 31, 2025	**1.72**	**348.85**	**38.48**	**389.05**
Additions	-	2,020.50	-	2,020.50
Disposal	(0.34)	(2,020.50)	-	(2,020.84)
Balance as at March 31, 2026	**1.38**	**348.85**	**38.48**	**388.71**
Accumulated depreciation				
As at April 01, 2024	**-**	**82.17**	**33.09**	**115.26**
Depreciation expense	-	12.27	3.99	16.26
Disposal	-	(24.10)	(37.08)	(61.18)
Balance as at March 31, 2025	**-**	**70.34**	**-**	**70.34**
Depreciation expense	-	4.75	5.28	10.03
Disposal	-	-	-	-
Balance as at March 31, 2026	**-**	**75.09**	**5.28**	**80.37**
Carrying amount				
As at March 31, 2025	**1.72**	**278.51**	**38.48**	**318.71**
As at March 31, 2026	**1.38**	**273.76**	**33.20**	**308.34**

(Refer Note 57 for investment properties)

Title deeds of immovable property not held in the name of the company,

Relevant line item in the Balance Sheet	Description of item of property *	Gross Value of property * (₹ in Lakhs)	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment property	Freehold land located at Village Takwe (Budruk), Tal – Maval District – Pune admeasuring **1.93** (3.68) Acres	**0.47** (0.78)	Mr. Krishna Datla "held in trust" on behalf of the Company	Executive Vice- Chairman	Various date from December 27, 1992 to June 01, 1995	The plot of land is an agricultural land lying in the industrial zone and is required to be registered in individual names.
			Ms. Rajeshwari Datla "held in trust" on behalf of the Company	Non-Executive Director (relative of Executive Vice-Chairman)	Various date from December 27, 1992 to June 01, 1995	The plot of land is an agricultural land lying in the industrial zone and is required to be registered in individual names.

* Bold figures represents current year figures.

6B. Goodwill

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deemed cost as goodwill	411.65	411.65
Total	**411.65**	**411.65**

Goodwill recognised is pursuant to shares acquisition by the Group in earlier years.

7. Other intangible assets

(₹ in Lakhs)

Particulars	Computer software	Product know-how	Total
At cost or deemed cost as at April 01, 2024	**393.09**	**2,561.57**	**2,954.66**
Additions	2.00	–	2.00
Disposal	–	–	–
Balance as at March 31, 2025	**395.09**	**2,561.57**	**2,956.66**
Additions	111.04	–	111.04
Disposal	–	–	–
Balance as at March 31, 2026	**506.13**	**2,561.57**	**3,067.70**
Accumulated amortisation			
As at April 01, 2024	**371.76**	**1,867.38**	**2,239.14**
Amortisation expense	13.14	407.75	420.89
Other adjustments	–	(3.13)	(3.13)
Balance as at March 31, 2025	**384.90**	**2,272.00**	**2,656.90**
Amortisation expense	8.65	175.15	183.80
Disposals	–	(2.76)	(2.76)
Balance as at March 31, 2026	**393.55**	**2,444.39**	**2,837.94**
Carrying amount			
As at March 31, 2025	**10.19**	**289.57**	**299.76**
As at March 31, 2026	**112.58**	**117.18**	**229.76**

8. Intangible assets under development

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Project in progress	31.93	–
Projects temporarily suspended	–	–
Total	**31.93**	**–**

Movement of intangible assets under development

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening Balance	–	–
Addition during the year	142.97	2.00
Capitalised during the year	(111.04)	(2.00)
Total	**31.93**	**–**

Ageing of Intangible assets under development

(₹ in Lakhs)

Intangible assets under development	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2026					
Project in progress	**31.93**	**–**	**–**	**–**	**31.93**
Projects temporarily suspended	**–**	**–**	**–**	**–**	**–**
Balance as at March 31, 2025					
Project in progress	–	–	–	–	–
Projects temporarily suspended	–	–	–	–	–

There are no Intangible assets under development which are overdue or has exceeded its original cost / budget as at March 31, 2026

9A. Investments in associate (Non-current) In equity instruments unquoted (fully paid up)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(At cost less impairment in value of investments, if any)		
Health and Wellness India Private Limited		
30,12,504 Equity shares of ₹ 10 each	475.00	475.00
Less: Impairment in the value of investments	(475.00)	(475.00)
Total	**-**	**-**
Aggregate Carrying value of unquoted investments before impairment	**475.00**	**475.00**
Aggregate amount of impairment in value of investments	**475.00**	**475.00**
Notes:		
The financial information in respect of this associate is not material to the group.		
Proportion of Group's ownership interest in the associate [Refer Note 46]		
Accumulated unrecognised share of losses of associate	-	-
Unrecognised share of losses of associate for the year	-	-
Accumulated recognised share of losses of associate*	598.53	598.53

*recognised to the extent of investment in associate.

9B. Investments (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Investment in other entities - In equity instruments:		
(i) Unquoted Investments (all fully paid up)		
Investments in equity instruments at FVTOCI		
Shivalik Solid Waste Management Limited		
20,000 Equity shares of ₹ 10 each.	4.11	4.11
Zela Wellness Private Limited		
58,048 Equity shares of ₹ 10 each	126.52	126.52
Less: Impairment in the value of investments	(126.52)	(126.52)
Island Veerchemie Private Limited		
12 Equity Shares of ₹ 15,000 each	1.80	1.80
Total aggregate unquoted Investments (A)	**5.91**	**5.91**
(ii) Quoted Investments (all fully paid)		
Investments in equity instruments at FVTOCI		
Abbott India Limited		
139 Equity shares of ₹ 10 each	36.03	42.72
Total aggregate quoted investments (B)	**36.03**	**42.72**
Total Non-current investments (A+B)	**41.94**	**48.63**
Aggregate carrying value of unquoted investments before impairment	**132.43**	**132.43**
Aggregate amount of quoted investments and market value thereof	**36.03**	**42.72**
Aggregate amount of impairment in value of investments	**126.52**	**126.52**

10. Share application money

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Health and Wellness India Private Limited	309.86	309.86
Less: Impairment in the value of share application money	(309.86)	(309.86)
Total	-	-

11. Loans (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Loan to employees - unsecured (considered good)	15.94	21.78
Inter corporate deposit - D.K.Biopharma Private Limited - unsecured (considered good)*	100.00	-
Inter corporate deposit - unsecured (considered doubtful) (Refer Note 48)	37.00	37.00
Less : Allowance for doubtful inter corporate deposit	(37.00)	(37.00)
Total	**115.94**	**21.78**

*The inter-corporate deposit (ICD) amounting to ₹ 100.00 Lakhs was granted on March 31, 2024 for 2 years and due on March 31, 2026, which has been further extended for additional two years i.e till March 31, 2028. ICD carries interest rate of 9% p. a. and has been granted for business purpose.

As at March 31, 2026 (₹ in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Amount of loan or advance in the nature of loans			
- Repayable on demand (A)	37.00	-	37.00
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total	**37.00***	**-**	**37.00***
Percentage of loans / advances in the nature of loans to the total loans (Refer Note [a])	23.16%		23.16%

* The amounts reported are at gross amounts, without considering provisions made

As at March 31, 2025 (₹ in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Amount of loan or advance in the nature of loans			
- Repayable on demand (A) (Refer Note 11 and Note 21)	944.14	-	37.00
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total	**944.14***	**-**	**37.00***
Percentage of loans / advances in the nature of loans to the total loans (Refer Note [a])	87.67%		3.44%

* The amounts reported are at gross amounts, without considering provisions made.

11. Loans (Non-current) *(Cont'd)*

Note [a] Total Amount Outstanding: (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Amount outstanding as at year end		
Health and Wellness India Private Limited - (Associate)*	37.00	37.00
Inter Gest Germany GmbH - (Others)*	-	907.14
Loan to employees	22.77	32.80
D.K.Biopharma Private Limited - (Others) (Refer Note 19)	100.00	100.00
Total (Gross)	**159.77**	**1,076.94**
*Provided	37.00	944.14
Maximum amount outstanding during the year		
Health and Wellness India Private Limited - (Associate)	37.00	37.00
Inter Gest Germany GmbH - (Others)	763.04	907.14
D.K.Biopharma Private Limited - (Others)	100.00	455.00

12. Other financial assets (Non current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Security deposits - unsecured (considered good)	365.59	327.22
Bank deposits with remaining maturity of more than 12 months*	10.04	21.23
Interest accrued but not due from banks - unsecured (considered good)	0.65	3.04
Others **	158.24	151.43
Total	**534.52**	**502.92**
*Deposits held under lien by bank against guarantees and other commitments with :		
- Yes Bank Limited	0.50	-
- Union Bank of India	8.50	21.23

**Others includes - Group Gratuity and Superannuation balances.

13. Non-current tax assets

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Advance income-tax	46.52	186.80
Total	**46.52**	**186.80**

14. Other assets (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Capital advances		
Considered good (unsecured)	70.91	15.89
Considered doubtful (unsecured)	19.01	40.79
Less: Allowance for doubtful advances	(19.01)	(40.79)
	-	-
Deferred rent	4.87	8.18
Prepaid expenses	21.80	25.71
Balances with government authorities - considered good	3.75	3.75
Total	**101.33**	**53.53**

15. Inventories

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(At lower of cost and net realisable value)		
Raw materials and packing materials [includes stock in transit of ₹ 551.93 Lakhs (as at March 31, 2025 ₹ 655.35 Lakhs)]	5,486.13	3,366.35
Traded goods	194.51	392.78
Work-in-progress [includes stock in transit of ₹ 122.13 Lakhs (as at March 31, 2025 ₹ NIL)]	6,294.28	4,034.64
Finished goods [includes stock in transit of ₹ 130.23 Lakhs (as at March 31, 2025 ₹ NIL)]	2,037.46	3,343.08
Stores and spares [includes stock in transit of ₹ 8.04 Lakhs (as at March 31, 2025 ₹ NIL)]	1,241.59	1,228.28
Total	**15,253.97**	**12,365.13**

Notes :

(i) Inventory write downs are provided considering the nature of inventory, ageing, liquidation plan and net realisable value. During the year ended March 31, 2026 ₹ 475.40 Lakhs (as at March 31, 2025 ₹ 320.12 Lakhs) was recognised as an expense under changes in inventories of finished goods,stock-in-trade and work-in-progress, inventories carried at net realisable value. Further reversal of earlier provision created amounting to ₹ 1,024 lakhs (March 31, 2025 ₹ 414 lakh) was made basis actual consumption of inventory in current and previous year. Net credit recorded in Profit and loss statement amounting to ₹ 548.60 lakhs as at March 31, 2025 of ₹ 94 lakhs respectively.

(ii) Inventories have been hypothecated as security against certain bank borrowings, details relating to which has been described in note 24 and note 28.

16. Trade receivables (unsecured)

(₹ in Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Non-current	Current	Non-current	Current
Undisputed Trade receivables – considered good	-	11,159.08	-	9,522.64
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	732.62	-	406.61
Disputed Trade Receivables – considered good	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-
	-	**11,891.70**	**-**	**9,929.25**
Less : Allowance for doubtful debts (Expected credit loss allowance)	-	(732.62)	-	(406.61)
Total	**-**	**11,159.08**	**-**	**9,522.64**

Trade receivables are carried at amortised cost.

Trade receivables are non-interest bearing and generally on terms of 60-90 Days.

No trade and other receivables are due from directors or other officer of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which director is a partner, a director or member (Refer Note 48).

For explanation on the credit risk management process (Refer Note 55).

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Movement in the expected credit loss allowance		
Balance at the beginning of the year	406.61	450.94
Addition during the year	360.27	-
Written off / Reversal during the year	(34.26)	(44.33)
Balance at the end of the year	**732.62**	**406.61**

16. Trade receivables (unsecured) *(Cont'd)*

Ageing of trade receivables : as at March 31, 2026 (₹ in Lakhs)

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	6,766.20	4,150.96	5.20	102.98	45.32	88.42	11,159.08
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	294.33	46.50	391.79	732.62
(iv) Disputed Trade Receivables – considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade Receivables – credit Impaired	–	–	–	–	–	–	–
Total	**6,766.20**	**4,150.96**	**5.20**	**397.31**	**91.82**	**480.21**	**11,891.70**

There are no unbilled receivables as on Balance sheet date

Ageing of trade receivables : as at March 31, 2025 (₹ in Lakhs)

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,518.43	4,838.92	71.86	93.44	–	–	9,522.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables – credit impaired	–	–	–	53.23	16.80	336.58	406.61
(iv) Disputed Trade Receivables – considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade Receivables – credit Impaired	–	–	–	–	–	–	–
Total	**4,518.43**	**4,838.92**	**71.86**	**146.66**	**16.80**	**336.58**	**9,929.25**

There are no unbilled receivables as on Balance sheet date

17. Cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balances with banks		
In current accounts	3,138.57	2,802.73
Cash on hand	30.89	21.23
Total	**3,169.46**	**2,823.96**

18. Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balances with banks		
In Unpaid dividend accounts	24.40	19.02
In escrow account*	783.18	-
In deposit accounts with original maturity for more than 3 months but less than 12 months**	157.27	4,326.91
Total	**964.85**	**4,345.93**

*Amount received against booking of under construction residential flats developed under Development Agreement entered with Mextech Property Developer LLP.

**This includes deposits held under lien by bank against guarantees and other commitments amounting to ₹ 89.02 Lakhs (as at March 31, 2025: ₹ 103.90 Lakhs)

19. Loans (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Unsecured, considered good		
Inter corporate deposits		
D.K.Biopharma Private Limited (Refer Note 11)	-	100.00
Loans to employees	6.83	11.03
Total	**6.83**	**111.03**

20. Other financial assets (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
In deposit accounts with original maturity more than 12 months but remaining maturity less than 12 months at reporting date *	5,075.44	-
Interest accrued but not due		
On fixed deposits from banks	211.20	37.76
Receivable against transfer of leasehold land held at Saykha (Refer Note 67)	-	1,481.04
Others		
Secured, considered good	31.77	-
Unsecured, considered good	6.33	18.96
Total	**5,324.74**	**1,537.76**

*This includes deposits held under lien by bank against guarantees and other commitments amounting to ₹ 48.69 Lakhs (as at March 31, 2025: ₹ Nil Lakhs)

21. Other current assets

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Advance for supply of goods and services		
Considered good	887.23	920.35
Considered doubtful	6.50	907.14
Less: Allowance for doubtful advances	(6.50)	(907.14)
	887.23	**920.35**
Deferred rent	20.16	18.33
Prepaid expenses	417.61	232.65
Export incentive receivables		
Considered good	44.40	12.95
Balances with government authorities	981.32	744.35
Others	7.54	4.04
Total	**2,358.26**	**1,932.67**

Movement in the Allowance for doubtful advances

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	907.14	913.42
Addition during the year	6.50	-
Reversal during the year (Refer Note 66)	(907.14)	(6.28)
Balance at the end of the year	**6.50**	**907.14**

22. Equity share capital

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Authorised		
6,35,00,000 Equity shares of ₹ 5/- each (as at March 31, 2025- 6,35,00,000 Equity shares of ₹ 5/- each)	3,175.00	3,175.00
1,60,000 Unclassified shares of ₹ 5/- each (as at March 31, 2025 - 1,60,000 Unclassified shares of ₹ 5/- each)	8.00	8.00
	3,183.00	**3,183.00**
Issued, subscribed and fully paid-up		
2,94,30,987 Equity shares of ₹ 5/- each (as at March 31, 2025 - 2,94,30,987 Equity shares of ₹ 5/- each)	1,471.55	1,471.55
Less: 7,60,299 Equity shares held by FBL ESOP Trust (as at March 31, 2025 2,62,011 Equity shares held by FBL ESOP Trust) [Refer Note (d) below]	(38.02)	(13.10)
Total	**1,433.53**	**1,458.45**

a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2026		March 31, 2025	
	No. of Equity Shares	₹ In Lakhs	No. of Equity Shares	₹ In Lakhs
Equity Shares				
At the beginning of the year	29,168,976	1,458.45	28,874,107	1,443.71
Purchase of shares from market by ESOP Trust	(499,064)	(24.96)	-	-
Issue of shares pursuant to employee stock option exercise	776	0.04	294,869	14.74
At the end of the year	**28,670,688**	**1,433.53**	**29,168,976**	**1,458.45**

b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	March 31, 2026		March 31, 2025	
	No. of Equity Shares	% Holding	No. of Equity Shares	% Holding
Mr. Krishna Datla	10,606,043	36.04%	10,606,043	36.04%
Mr. Satish Varma	3,453,325	11.73%	3,453,325	11.73%
Mrs. Anupama Datla Desai	2,561,265	8.70%	2,561,265	8.70%
Mrs. Preeti Thakkar	2,240,376	7.61%	2,240,376	7.61%

22. Equity share capital *(Cont'd)*

c) Rights, preferences and restrictions

The Group has issued only one class of equity shares having par value of ₹ 5/- per share (March 31, 2025; - ₹ 5/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays the dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting, except in case of interim dividend.

During the year, the Board of directors have declared final dividend of 75% (₹ 3.75 per equity share of ₹ 5/- each) for the financial year 2025-26. (Refer Note 56)

During the previous year, the Board of directors had declared final dividend of 50% (₹ 2.50 per equity share of ₹ 5/- each) for the financial year 2024-25 which has been paid during the year 2025-26. (Refer Note 56)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

d) FBL ESOP Trust

The Parent Company has formulated Employee Stock Option Scheme, namely Fermenta Biotech Limited - Employee Stock Option 2019 (ESOP 2019), pursuant to the Scheme of amalgamation of erstwhile Fermenta Biotech Limited with the Company. During the current year, the Parent Company also introduced a new Employee Stock Option Scheme, 2025 (ESOP 2025). The equity shares underlying the above employee stock option schemes are held by the FBL ESOP Trust (Refer Note 59).

Particulars	March 31, 2026	March 31, 2025
	No. of Equity Shares	No. of Equity Shares
Outstanding at the beginning of the year	262,011	556,880
Equity Shares purchased by Trust from market pursuant to ESOP 2025	499,064	-
Issue of shares pursuant to exercise of Employee Stock Option	(776)	(294,869)
Outstanding at the end of the year	**760,299**	**262,011**

e) Details of Shares held by promoters at the end of the year

Name of the promoters	March 31, 2026		March 31, 2025		% change during the year
	No. of Equity Shares	% Holding	No. of Equity Shares	% Holding	
Mr. Krishna Datla	10,606,043	36.04%	10,606,043	36.04%	0.00%
Mr. Satish Varma	3,453,325	11.73%	3,453,325	11.73%	0.00%
Mrs. Anupama Datla Desai	2,561,265	8.70%	2,561,265	8.70%	0.00%
Mrs. Preeti Thakkar	2,240,376	7.61%	2,240,376	7.61%	0.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2026

23. Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus									Items of other comprehensive income		Total
	Capital reserve	Capital reserve pursuant to amalgamation	Capital redemption reserve	Treasury Shares held by ESOP Trust	Securities premium reserve	Unrealised gain/(loss) on dilution	General reserve	Share options outstanding account	Retained earnings	Foreign currency translation reserve	Equity instruments through OCI	
Balance as at April 01, 2024	1,140.00	39.72	70.00	-	236.89	(4,242.26)	3,742.10	1,273.45	25,292.71	(149.36)	39.14	27,442.39
Profit for the year	-	-	-	-	-	-	-	-	7,686.18	-	-	7,686.18
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	-	(79.73)	(116.11)	5.26	(190.58)
Transfer to equity share capital on exercise of options	-	-	-	-	1,243.47	-	-	(1,243.47)	-	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	231.96	-	-	-	-	-	-	231.96
Payment of dividend (gross)	-	-	-	-	-	-	-	-	(361.18)	-	-	(361.18)
Balance as at March 31, 2025	**1,140.00**	**39.72**	**70.00**	**-**	**1,712.32**	**(4,242.26)**	**3,742.10**	**29.98**	**32,537.98**	**(265.47)**	**44.40**	**34,808.77**
Profit for the year	-	-	-	-	-	-	-	-	7,176.53	-	-	7,176.53
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	-	28.40	(684.31)	(5.00)	(660.91)
Transfer to equity share capital on exercise of options	-	-	-	-	3.27	-	-	(3.27)	-	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	0.61	-	-	-	-	-	-	0.61
Payment of dividend (gross)	-	-	-	-	-	-	-	-	(729.22)	-	-	(729.22)
Treasury share acquired by ESOP Trust	-	-	-	(1,703.24)	-	-	-	-	-	-	-	(1,703.24)
Recognition of share based payments	-	-	-	-	-	-	-	295.30	-	-	-	295.30
Balance as at March 31, 2026	**1,140.00**	**39.72**	**70.00**	**(1,703.24)**	**1,716.20**	**(4,242.26)**	**3,742.10**	**322.01**	**39,013.69**	**(949.78)**	**39.40**	**39,187.85**

23. Other equity *(Cont'd)*

Description of nature and purpose of each reserve

Capital Reserve : Capital reserve was created in the financial years 1995-96 and 1996-97 pursuant to sale of the Parent Company's brands for which non compete fees were received and treated as a capital receipt.

Capital reserve pursuant to amalgamation : This reserve created pursuant to amalgamation of 2 subsidiaries and holding company.

Treasury shares held by ESOP Trust : The parent company has created a trust, namely "FERMENTA BIOTECH LIMITED ESOP Trust" (ESOP Trust) for providing share based payments to its employees. The parent company uses this Trust as a vehicle for distributing shares to employees covered under Scheme. The Trust buys shares of the Parent Company from the market, for giving shares to employees under the Employees Stock Option Schemes.

Capital redemption reserve : This reserve was created for redemption of preference shares of ₹ 70.00 lakhs in the financial year 2010-2011.

Unrealised gain/(loss) on dilution : This reserve represents unrealised gain/(loss) due to change in the shareholdings in a subsidiary.

General Reserve : Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Securities premium : The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

Share options outstanding account : The fair value of the equity settled share based payment transactions is recognised in share options outstanding account.

Retained earnings : Retained earnings are the profits/(loss) that the company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Equity instruments through other comprehensive income : This represents the cumulative gains / losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

Foreign currency translation reserve : Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to consolidated profit or loss on the disposal of the foreign operations.

24. Long-term borrowings

(₹ in Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Non Current	Current	Non Current	Current
Secured				
Term loans				
From banks				
For Kullu facility [Refer Note below (a)]	689.03	826.85	1,280.72	698.57
For Dahej facility [Refer Note below (b)]	-	-	-	275.86
For Vehicles [Refer Note below (c)]	46.61	94.93	142.61	137.82
For WCTL [Refer Note below (d)]	-	-	-	171.89
For Dahej facility [Refer Note below (e)]	54.29	27.15	81.43	27.15
Total	**789.93**	**948.93**	**1,504.76**	**1,311.29**
Amount disclosed under the head "Borrowings (Current)" (Refer Note 28)	-	(948.93)	-	(1,311.29)
Total	**789.93**	**-**	**1,504.76**	**-**

Notes

a) Term loan is taken from HDFC Bank Limited for financing the capital expenditure for Premix Plant at Kullu with interest rate EURIBOR plus 3.0% (Average effective rate 5.60%), (Previous year effective rate is 6.25%) repayable in 60 equal monthly instalments starting from Feb-2023. The said loan is secured by first pari-passu charge on the project , first pari pasu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks.

b) Term loan is taken from HDFC Bank Limited for financing the capital expenditure for Plant 4 at Dahej SEZ with interest rate EURIBOR plus 3.9% (effective rate 3.9%), (Previous year effective rate is 3.9%) repayable in 16 equal quarterly instalments starting from July 2021. The said loan is secured by first pari-passu charge on the project , first pari pasu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks. Effective rate is 3.9% on account of Interest rate swap agreement entered by the parent company.The said loan has been repaid during the year. Since the loan is repaid, the Parent Company is in the process of releasing the charge created against such assets.

c) i) Vehicle loans taken from HDFC Bank Limited against hypothecation of the vehicles purchased, repayable in 60 monthly instalments starting from Aug-2020, to Sep-2021 with average interest rates in the range of 7.65% to 8.21%, (Previous year at 7.65% to 8.45%). Two of the Vehicle loans from HDFC Bank has been repaid during the year.

   ii) Vehicle loans taken from the Bank of Baroda Limited against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jan-2021 to May-2021 with average interest rates in the range of 8.65% to 9.58%, (Previous year at 9.65% to 9.85%). One of the Vehicle loans from Bank of Baroda has been paid during the year

   iii) Vehicle loan is taken from the Union Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jan-2022 to Oct-2022 with average interest rates in the range of 8.34% to 9.50% (Previous year in the range of 8.34% to 9.50%)

   iv) Vehicle loan is taken from the Yes Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jun-2023 with average interest rates 9.17% , (Previous year in the range of 9.18%).

d) Working Capital Term Loan is taken from Union Bank of India for business purpose with effective interest rate 9.48% (Previous year effective rate is 9.25%) repayable in 48 equal monthly instalments starting from December, 2023. The said loan is secured by first pari-passu charge on hypothecation of stocks, book debts and and by equitable mortgage with Yes Bank Limited and HDFC Bank Limited of factory land and buildings at Dahej and Kullu and all movable property, plant and equipments of the Company and second charge on the existing securities of the company except Plant 4 at Dahej and Premix Plant at Kullu. The said loan has been repaid during the year. Since the loan is repaid, the Parent Company is in the process of releasing the charge created against such assets.

e) Term loan is taken from HDFC Bank Limited for financing the capital expenditure at Dahej SEZ with average interest rate 9.90% (Previous year effective rate is 9.75%) repayable in 28 equal quarterly instalments starting from Apr 2022. The said loan is secured by first pari-passu charge on the project , first pari pasu charge on property, plant and equipment at Dahej and Kullu except Plant 3 at Dahej which is exclusively Mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks.

25. Other financial liabilities (Non- current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deposits from tenants	279.83	257.50
Deposits from Developer (Refer Note 63)*	1,392.07	1,404.96
Total	**1,671.90**	**1,662.46**

*Reclassified from other Current Liabilities to other Financial Liabilities (Non current)

26. Provisions (Non- current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits		
Gratuity [Refer Note 43(c)]	661.87	413.83
Compensated absences	412.21	366.76
Total	**1,074.08**	**780.59**

27. Other liabilities (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deferred revenue*	7.89	16.22
Total	**7.89**	**16.22**

*Discounting on Security Deposit received from tenants.

28. Borrowings (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Loans repayable on demand		
From banks (Secured)		
Cash credit and Bank overdraft	1,751.79	2,161.17
Packing credit	3,254.89	2,964.75
Short term Working capital loan	4,143.00	2,998.07
From banks (Secured)		
Current maturities of long-term debts (Refer Note 24)	948.93	1,311.29
Total	**10,098.61**	**9,435.28**

Packing credit, cash credit Loan from Union Bank of India, are secured by first pari-passu charge on hypothecation of stocks, book debts and and by equitable mortgage with Yes Bank limited and HDFC Bank Limited of factory land and buildings at Dahej and Kullu and all movable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for packing credit in foreign currency is 6.00% to 6.50% (EURO PCFC - EURIBOR+3.10%, USD PCFC - 6M LIBOR+3.10%) and average interest rate for cash credit is 10.82 %.

Packing credit and cash credit Loan from Yes Bank Limited are secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and HDFC Bank Limited and all movable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for packing credit in foreign currency is 6.00% and average interest rate for cash credit is EBLR + 4% (from 10.40% to 11.50%).

Packing credit Loan from HDFC Bank Limited is secured by first pari-passu charge on current assets, exclusive charge on assets of plant 4 at Dahej and Premix Plant at Kullu, movable property, plant and equipment of the Company and equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and Yes Bank Limited (excluding the plant and building financed through term loan from Union Bank of India and Yes Bank Limited).The average interest rate for packing credit in foreign currency is 6.50% .

Short term working capital loan includes Working Capital Demand Loan from Yes Bank Limited secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and HDFC Bank Limited and all movable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. It also includes Working Capital Demand Loan from HDFC Bank Limited secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and Yes Bank Limited and all movable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for Working Capital Demand Loan from Yes Bank is in range of 9.05% to 9.55% and Working Capital Demand Loan from HDFC Bank Limited is 9.05%.

29. Trade payables (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Total outstanding dues of micro and small enterprises	450.86	387.87
Total outstanding dues of creditors other than micro and small enterprises	7,264.18	7,360.83
Disputed dues of micro and small enterprises	-	-
Disputed dues of creditors other than micro and small enterprises	-	-
Total	**7,715.04**	**7,748.70**

Ageing of trade payables: as at March 31, 2026

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of MSME	-	254.75	196.11	-	-	-	450.86
Dues of creditors other than MSME	2,116.19	2,482.66	2,404.57	-	15.30	245.46	7,264.18
Disputed dues of MSME	-	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-	-
Total	**2,116.19**	**2,737.41**	**2,600.68**	**-**	**15.30**	**245.46**	**7,715.04**

Ageing of trade payables: as at March 31, 2025

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of MSME	-	-	387.55	0.32	-	-	387.87
Dues of creditors other than MSME	1,741.16	3,019.47	1,793.32	-	97.03	709.85	7,360.83
Disputed dues of MSME	-	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-	-
Total	**1,741.16**	**3,019.47**	**2,180.87**	**0.32**	**97.03**	**709.85**	**7,748.70**

30. Other financial liabilities (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deposits from tenants	0.50	0.70
Payable to the employees / directors	291.14	229.67
Liability for capital expenditure	372.27	111.04
Interest accrued but not due on borrowings	47.89	36.15
Derivatives not designated as hedge	38.81	41.61
Unclaimed dividend	24.40	19.02
Total	**775.01**	**438.19**

31. Other current liabilities (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Deferred Revenue		
Advance from customers	1,439.22	766.23
Deferred revenue*	-	1,792.50
Deferred rent	6.71	6.71
Statutory dues	167.27	160.90
Others	90.79	90.79
Total	**1,703.99**	**2,817.13**

*The deferred revenue pertains to the obligation to provide MLCP(Multi-Level Car Parking) as part of bundled floor space sales made till March 31, 2025. In the current year, Group has completed the construction of such MLCP and has recorded revenue net of corresponding cost as Profit on sale of Investment Property in Note 34

Breakup of Revenue and Cost recorded is as follows:

(₹ in Lakhs)

Opening deferred revenue	1,792.50
Addition during the year	228.00
Total	**2,020.50**
Revenue recognised (including deferred revenue)	2,020.50
Cost recognised	(2,020.50)
Total	-

32. Provisions (Current)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits		
Compensated absences	100.17	72.70
Gratuity [Refer Note 43(c)]	1.04	-
Other provisions		
Others *	-	16.96
Total	**101.21**	**89.66**

*Others includes expenses payable

33. Current tax liabilities

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Provision for income tax	184.27	441.05
Total	**184.27**	**441.05**

34. Revenue from operations

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Revenue from contracts with customers	50,964.25	41,102.61
Rent income (Refer Note 57)	174.51	291.26
Amortised deferred rent (Refer Note 57)	6.71	56.81
Sale of services (environment solution services)	566.67	309.65
Service income (infrastructure support services to tenants) (Refer Note 57)	480.52	491.18
Sale of Investment property (net) (Refer Note 57)	162.89	4,457.88
Other operating revenues		
Export incentive	157.53	130.42
Scrap sales	29.86	23.06
Others	–	84.86
Total	**52,542.94**	**46,947.73**

(Refer Note 64 for additional details, Refer Note 48)

35. Other income

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Interest income on financial assets carried at amortised cost:		
Bank deposits	352.74	116.66
Other financial assets	122.52	158.70
	475.26	**275.36**
Dividend income on investment in equity instruments designated as at fair value through other comprehensive income	86.40	90.97
Net gain on fair value changes of derivatives at FVTPL	2.80	0.90
Insurance Claims *	275.05	178.50
Foreign exchange gain (net)	1,046.19	461.91
Gain on sale/ write off, of property, plant and equipment (net)	10.49	–
Liabilities / provisions no longer required written back		
From Trade receivables	27.77	24.77
From Others	314.55	147.94
	342.32	**172.71**
Miscellaneous income	0.01	1.50
Total	**2,238.52**	**1,181.85**

*Insurance claim received against claim made by Group for losses caused due to floods for inventory and other assets in July 2023. Group has received full and final settlement of such claims and ₹ 275.05 lakhs (March 31, 2025 ₹ 178.50 lakhs) has been recognised as income.

36. Cost of materials consumed

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Inventories of raw materials / packing materials at the beginning of the year	3,366.35	2,997.74
Add: Purchases	16,840.89	13,361.73
Add: Foreign currency translation difference	154.82	1.81
Less: Inventories of raw materials / packing materials at the end of the year	5,486.13	3,366.35
Total	**14,875.93**	**12,994.93**

37. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Inventories at the end of the year		
Work-in-progress	6,294.28	4,034.64
Stock-in-Trade	194.51	392.78
Finished goods	2,037.46	3,343.08
	8,526.25	**7,770.50**
Inventories at the beginning of the year		
Work-in-progress	4,034.64	3,358.82
Stock-in-Trade	392.78	374.80
Finished goods	3,343.08	1,043.01
	7,770.50	**4,776.63**
Foreign currency translation difference	(708.73)	122.22
Total	**(47.02)**	**(3,116.09)**

38. Employee benefits expense

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Salaries and wages	6,846.11	5,625.41
Contribution to provident and other funds [Refer Note 43]	341.70	271.12
Gratuity expense [Refer Note 43]	92.25	75.04
Share based payments to employees [Refer Note 59]	295.30	-
Staff welfare expenses	684.07	538.86
Total	**8,259.43**	**6,510.43**

39. Finance costs

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Interest on		
Term loans	134.28	338.16
Loans repayable on demand	731.09	681.66
Lease liabilities (Refer Note 44)	39.56	47.36
Liabilities carried at amortised cost (Unwinding of interest)	6.03	141.81
Others	114.72	109.91
Other borrowing costs	128.08	100.30
Total	**1,153.76**	**1,419.20**

40. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Depreciation of property, plant and equipment (Refer Note 3)	1,849.29	1,851.00
Depreciation on right-of-use assets (Refer Note 5)	126.56	133.68
Depreciation of investment property (Refer Note 6A)	10.03	16.26
Amortisation of intangible assets (Refer Note 7)	183.80	420.89
Total	**2,169.68**	**2,421.83**

41. Other expenses

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Stores and spare parts consumed	1,709.97	1,608.99
GST expenses for which credit cannot be availed	223.13	196.74
Contract labour charges	908.27	679.66
Power and fuel	2,852.02	2,674.69
Repairs and maintenance		
Buildings	135.03	501.54
Plant and machinery	278.86	439.47
Others	1,814.53	1,654.38
Water charges	60.56	48.72
Advertising and sales promotion expenses	668.67	433.53
Freight and forwarding charges	1,383.12	1,126.80
Commission on sales	317.86	186.78
Rent (including lease rentals)	180.89	100.07
Insurance	340.92	354.93
Rates and taxes	389.98	341.33
Expected Credit Loss for doubtful debts (net) on trade receivables	360.27	78.91
Trade receivable, loans and advances written off (net)	14.48	38.33
Travelling and conveyance	932.73	661.40
Professional and legal fees	1,268.75	989.35
Payment to auditors	111.14	98.66
Postage and telephone	48.94	47.90
Printing and stationery	68.69	56.20
Security Expenses	89.50	83.47
Staff recruitment expenses	55.56	52.05
Bank charges	112.07	70.13
Initial cost for operating leases	56.62	281.77
Analytical Charges	196.35	46.35
Loss on sale/write off, of property, plant and equipment (net)	-	496.02
Corporate social responsibility expenses	73.65	43.62
Directors sitting fees (Refer Note 48)	49.20	41.40
Miscellaneous expenses	405.25	179.70
Total	**15,107.01**	**13,612.89**

42. Earnings per share (EPS)

The following table sets forth the computation of basic and diluted earnings per share :

Particulars	March 31, 2026	March 31, 2025
Profit before exceptional items for the year used for computation of basic and diluted earnings per share (₹ in Lakhs)	6,488.95	7,686.18
Profit after exceptional items for the year used for computation of basic and diluted earnings per share (₹ in Lakhs)	7,176.53	7,686.18
Weighted average number of equity shares used in calculating basic EPS [Refer Note 22(a)]	29,053,124	29,168,976
Effect of dilutive potential equity shares	222,842	5,018
Weighted average number of equity shares used in calculating diluted EPS	29,275,966	29,173,994
Earnings per equity share of ₹ 5 each before exceptional items		
Basic earnings per equity share [nominal value of share ₹ 5 each (March 31, 2025: ₹ 5)]	23.02	26.35
Diluted earnings per equity share [nominal value of share ₹ 5 each (March 31, 2025: ₹ 5)]	22.16	26.35
Earnings per equity share of ₹ 5 each after exceptional items		
Basic earnings per equity share [nominal value of share ₹ 5 each (March 31, 2025 : ₹ 5)]	24.70	26.35
Diluted earnings per equity share [nominal value of share ₹ 5 each (March 31, 2025: ₹ 5)]	24.51	26.35

43. Employee benefits

The Group operates following employee benefit plans :

I) Defined contribution plans: Provident fund, Superannuation fund, Employee state insurance scheme (ESIC) and Labour welfare fund.

II) Defined benefit plan: Gratuity (funded)

III) Other long term benefit plan: Compensated absences (unfunded)

I) Defined Contribution Plans

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
The Group operates defined contribution retirement benefit plans for all qualifying employees of the Group. The contribution to defined contribution plan recognised as expenses in the Consolidated statement of profit and loss for the year is as under (Refer Note 38).		
Employer's contribution to provident fund	333.45	264.12
Employer's contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	5.66	6.88
Employer's contribution to labour welfare fund	2.59	0.13

43. Employee benefits *(Cont'd)*

II) Defined benefit plan

The Group operates a defined benefit plan, viz., gratuity.

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination. Provision for Gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Company reviews the level of funding in the gratuity fund.

(a) Movements in the present value of the defined benefit obligation are as follows: (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening defined benefit obligation	**706.34**	**579.05**
Interest cost	25.18	38.37
Current service cost	84.74	57.85
Past service cost (Refer Note 66)	219.56	0.00
Benefits paid	(38.59)	(83.22)
Actuarial (Gain)/loss on obligations- due to change in financial assumptions	(41.57)	28.78
Actuarial (Gain)/loss on obligations- due to change in experience adjustment	8.68	85.51
Closing defined benefit obligation	**964.34**	**706.34**

*On account of business combination or inter group transfer

(b) Movements in the fair value of the plan assets are as follows: (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening fair value of plan assets	**292.51**	**322.83**
Employer's contributions	26.10	29.91
Interest income	17.65	21.18
Remeasurement gain / (loss) :		
Return on plan assets (excluding amounts included in net interest expense)	3.74	1.81
Benefit paid	(38.57)	(83.22)
Closing fair value of plan assets	**301.43**	**292.51**

(c) Reconciliation of fair value of plan assets and defined benefit obligation:

The amount included in the financial statements arising from the Group's obligation in respect of its defined benefit obligation plan is as follows: (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Fair value of plan assets	301.43	292.51
Present value of obligation	964.34	706.34
Amounts recognized in the Consolidated balance sheet surplus/(deficit)	**(662.91)**	**(413.83)**

43. Employee benefits *(Cont'd)*

(d) The amount recognised in Consolidated statement of profit and loss in respect of the defined benefit plan are as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Current service cost	84.74	57.85
Past service cost (Refer Note 66)	219.56	-
Net interest expense	7.51	17.19
Components of defined benefit costs recognised in Consolidated statement of profit and loss	**311.81**	**75.04**

(e) The amount recognised in other comprehensive income in respect of the defined benefit plan is as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Remeasurement on the net defined benefits liability:		
Return on plan assets (excluding amounts included in net interest expense)	3.74	1.81
Actuarial gains/ (losses) arising from changes in financial assumptions	41.57	(28.78)
Actuarial gains / (losses) arising from changes in experience adjustments	(8.68)	(85.51)
Components of defined benefit recognised as income / (loss) in other comprehensive income	**36.63**	**(112.48)**

(f) The principal assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Discount rate (per annum)	7.20%	6.70%
Salary escalation rate (per annum)	5.00%	5.00%
Expected rate of return on plan assets (per annum)	7.40%	7.05%
Retirement age	58 Years	58 Years
Mortality rate during employment (per annum)	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)
Leaving Service (Age groups)	21-30 years - 4%	21-30 years - 4%
	31-40 years - 3%	31-40 years - 3%
	41-50 years - 2%	41-50 years - 2%
	Above 50 years - 1%	Above 50 years - 1%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is considered as per declaration from Life Insurance Corporation of India (LIC) .

The expected contributions for defined benefit plan for the next financial year is ₹ 35 Lakhs (March 31, 2025: ₹ 35.00 Lakhs)

43. Employee benefits *(Cont'd)*

(g) Maturity analysis of projected benefit obligation (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Expected benefits for Year 1	174.25	92.67
Expected benefits for Year 2	90.92	73.88
Expected benefits for Year 3	68.18	83.64
Expected benefits for Year 4	38.29	46.16
Expected benefits for Year 5	56.53	25.61
Expected benefits for Year 6	51.57	44.16
Expected benefits for Year 7	54.98	34.98
Expected benefits for Year 8	50.64	35.48
Expected benefits for Year 9	35.82	31.33
Expected benefits for Year 10 and above	1,394.16	926.86

(h) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2026	March 31, 2025
Insurer Managed Funds	100%	100%

(i) Sensitivity analysis

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at end of year, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	March 31, 2026 (Decrease)/increase in DBO*	March 31, 2025 (Decrease)/increase in DBO*
Discount rate (- 0.50%)	4.25%	4.37%
Discount rate (+ 0.50%)	(-3.96%)	(-4.07%)
Salary Escalation Rate (- 0.50%)	(-3.82%)	(-3.92%)
Salary Escalation Rate (+ 0.50%)	4.07%	4.15%

*'DBO: Defined benefit obligation

(j) Risk exposure:

The plan typically exposes the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields on government bonds denominated in Indian rupees. If the actual return on plan assets is below this rate, it will create a plan deficit. However, the risk is mitigated by investment in LIC managed fund.

Interest risk : A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's investment in LIC managed fund.

43. Employee benefits *(Cont'd)*

Longevity risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk : The inherent risk for the Company mainly are adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

III) Other long term benefit plan

Actuarial valuation for compensated absences is done as at the year end and provision is made as per Group rules with corresponding charge / (credit) to the consolidated statement of profit and loss amounting to ₹ 105.21 Lakhs [March 31, 2025: ₹ 153.61 Lakhs] and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined at the year end using the "Projected unit credit model". Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in OCI where as gains and losses in respect of other long term employee benefit plans are recognised in the consolidated statement of profit and loss.

44. Leases

(A) Assets taken on lease

The Group has entered into agreements for taking on leave and license basis certain residential and office premises and also taken vehicles on lease basis. The Group also has lease arrangements for lands taken on lease at Dahej. In respect of the said lease, the additional information is as under:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Depreciation charge for right-of-use assets (Refer Note 5)	126.56	133.68
Expenses relating to leases of low-value assets (included in Rent expenses in Note 41)	180.89	100.07
Finance cost (Refer Note 39)	39.56	47.36

Maturity analysis of lease liabilities (on undiscounted basis) (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Less than one year	157.44	148.71
One to five years	348.18	498.79
More than five years	–	16.84
Weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date	8.75%	8.75%

44. Leases *(Cont'd)*

Set out below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the year:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
As at the beginning of the year	**553.53**	**649.69**
Interest expense included in finance cost (Refer Note 39)	39.56	47.36
Payments	(148.71)	(144.97)
As at the end of the year	**444.38**	**553.53**
Breakup :		
Current	126.30	109.16
Non-Current	318.08	444.37
Total Lease liabilities	**444.38**	**553.53**

General description of significant leasing agreements

(i) Refundable interest free deposits have been given under lease agreements.

(ii) Some of the agreements provide for early termination by either party with a specified notice period / renewal with conditions

(B) Assets given on lease

The Group has also entered into operating lease agreements for its properties in Thane one with original lease periods expiring by February 2029. These agreements have a non-cancellable period at the beginning of the period for 6 month to 5 years and have rent escalation provisions of 5% every year and 12% immediately.

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
a) Rent income recognised in the Consolidated statement of profit and loss for the year (Refer Note 34)	174.51	291.26
b) Future minimum lease income under the non-cancellable leases in the aggregate and for each of the following periods :		
i) Less than one year	177.71	168.57
ii) One year to five years	190.24	367.94
iii) More than five years	-	-

45. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Parent Company. The Managing Director of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM of the Group. The Group has identified the following segments as reporting segments based on the information reviewed by CODM.

The business segments have been identified considering :

a) the nature of products and services

b) the differing risks and returns

c) the internal organisation and management structure, and

d) the internal financial reporting systems

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Group. Segment revenues, expenses and results include inter-segment transfers.

45. Segment information *(Cont'd)*

A) Based on the information reviewed by the Chief Operating Decision Maker (CODM), the Group has identified the following reportable segments, viz:

Chemicals/Bulk Drug – Manufacturing and selling of chemicals, primarily bulk drugs and enzymes.

Property – Renting and sale of properties

Segments have been identified and reported based on the nature of the services, the risk and returns, the organisation structure and the internal financial reporting systems.

(₹ in Lakhs)

Particulars		2025-2026 / *2024-2025* Bulk Drug/ Chemicals	Property	Total
a.	**Income**			
1	Segment income	**51,472.17**	**951.27**	**52,423.44**
		40,048.76	*5,440.18*	*45,488.94*
	Unallocated revenue (net)			**2,358.02**
				2,640.64
2	**Total**			**54,781.46**
				48,129.58
b.	**Result**			
1	Segment profit before tax, finance cost and exceptional item	**9,331.20**	**210.98**	**9,542.18**
		4,722.32	*4,830.10*	*9,552.42*
2	Finance costs			**1,153.76**
				1,419.20
3	Unallocable income/(expenditure) (net)			**510.05**
				187.56
4	Profit before Exceptional Items and tax			**8,898.47**
				8,320.78
5	Exceptional items			**687.58**
				-
6	Tax expense			
	- current tax			**1,525.58**
				1,312.24
	- deferred tax charge			**1,035.04**
				(631.74)
7	Profit after tax			**7,025.43**
				7,640.28

45. Segment information *(Cont'd)*

Particulars	Bulk Drug/ Chemicals	Property	Total
	2025-2026		
	2024-2025		
c. Other information			
1. Segment assets	**52,329.04**	**856.88**	**53,185.92**
	49,747.88	*1,306.54*	*51,054.42*
2 Unallocated corporate assets			**11,607.98**
			10,393.11
3. Total assets			**64,793.90**
			61,447.53
4. Segment liabilities	**9,903.30**	**2,907.36**	**12,810.66**
	10,177.29	*3,879.84*	*14,057.13*
5. Unallocated corporate liabilities			**11,928.65**
			11,538.88
6. Total liabilities			**24,739.31**
			25,596.00
7. Cost incurred during the year to acquire			
– segment tangible and intangible assets	**1,012.96**	**2,020.50**	**3,033.46**
	2,213.32	*–*	*2,213.32*
8. Depreciation and amortization expense	**2,159.65**	**10.03**	**2,169.68**
	2,405.57	*16.26*	*2,421.83*

(*Figures in italics are the corresponding figures in respect of the previous year.*)

B) Geographical information

Geographical information is reported on the basis of the geographical location of the customers. The management views the Indian market and export markets as distinct geographical markets.

Revenue by market – The following is the distribution of the Group's revenue by geographical market:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
India		
Bulk Drug/Chemicals	15,782.29	12,296.70
Property	951.27	5,440.18
Others	4,780.02	4,122.63
Europe – Bulk Drug/Chemicals	16,187.43	11,488.84
USA – Bulk Drug/Chemicals	7,312.21	7,255.95
Other countries – Bulk Drug/Chemicals	9,768.24	7,525.28
Total	**54,781.46**	**48,129.58**

45. Segment information *(Cont'd)*

The following is an analysis of the carrying amount of Non current assets excluding financials assets and deferred Tax Assets, analysed by geographical area in which the assets are located:

(₹ in Lakhs)

Particulars	Assets	
	March 31, 2026	March 31, 2025
India	23,462.36	24,414.53
Outside India	1.02	71.84
Total	**23,463.38**	**24,486.37**

The Group has not generated revenue aggregating more than 10% of the Group total revenue from any customer during the period (March 31, 2025 ₹ Nil).

46. List of entities included in the consolidated financial statements is as under

Particulars	Country of Incorporation	Proportion of ownership interest as at	
		March 31,2026	March 31, 2025
Subsidiaries			
Fermenta Biotech GmbH	Germany	100%	100%
Fermenta Biotech (UK) Limited	United Kingdom	100%	100%
Fermenta Biotech USA LLC	United States	100%	100%
Fermenta USA LLC	United States	52%	52%
Fermenta Environment Solutions Private Limited (w.e.f. May 01, 2025)	India	100%	NA
Associate			
Health and Wellness India Private Ltd	India	47%	47%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2026

47. Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate as per Schedule III of Companies Act, 2013

Sr No	Particulars	Name of the Entity	March 31,2026								March 31, 2025							
			Net assets, i.e., total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)		Net assets, i.e., total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
			%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs
I	Parent Company	Fermenta Biotech Limited	106%	42,281.58	93%	6,428.35	-3%	19.45	102%	6,447.80	106%	37,995.23	89%	6,761.17	40%	(74.46)	90%	6,686.71
II	Subsidiary Companies																	
	a.India	Fermenta Environment Solutions Private Limited	1%	340.24	-6%	(422.39)	-1%	3.95	-6%	(418.44)	0%	-	0%	-	0%	-	0%	-
	b.Foreign	Fermenta Biotech (UK) Limited	0%	37.94	0%	3.08	-	-	0%	3.08	0%	34.86	0%	0.03	-	-	0%	0.03
		Fermenta Biotech GmbH	-6%	(2,574.59)	15%	1,065.90	77%	(507.43)	9%	558.47	-9%	(3,133.06)	18%	1,381.89	45%	(86.63)	18%	1,295.26
		Fermenta Biotech USA LLC (Consolidated with its subsidiary)	-4%	(1,565.69)	-4%	(295.93)	27%	(176.88)	-7%	(472.81)	-3%	(1,092.88)	-2%	(185.29)	15%	(29.49)	-3%	(214.78)
III	Non-controlling interests in all subsidiaries		-1%	(566.79)	-2%	(151.10)	-	-	-2%	(151.10)	-1%	(415.69)	-1%	(45.90)	-	-	-1%	(45.90)
IV	Total Eliminations / Consolidation Adjustments		4%	1,535.11	4%	246.42	-	-	4%	246.42	7%	2,047.38	-4%	(317.52)	-	-	-4%	(317.52)
		Total	**100%**	**40,054.59**	**100%**	**7,025.43**	**100%**	**(660.91)**	**100%**	**6,364.52**	**100%**	**35,851.53**	**100%**	**7,640.28**	**100%**	**(190.58)**	**100%**	**7,449.70**

48. Related parties disclosures as per Ind AS 24

A) Names of the related parties where there are transactions and description of relationships

a) Key Management Personnel

Name of Key Management Personnel	Designation
Mr. Krishna Datla	Executive Vice-Chairman
Mr. Satish Varma	Executive Director
Mrs. Rajeshwari Datla (also relative of the Executive Vice-Chairman)	Non-Executive Director
Mrs. Anupama Datla Desai	Executive Director
Dr. Gopakumar Nair * (upto May 16, 2024)	Non-Executive Director
Mr. Pradeep Chandan	Non-Executive Director and Chairman
Mrs. Rajashri Ojha	Non-Executive Director
Mr. Pramod Kasat	Non-Executive Director
Mr. Ramanand Mundkur ** (w.e.f. November 14, 2024)	Non-Executive Director
Mr. Prashant Nagre	Managing Director
Mr. Sumesh Gandhi	Chief Financial Officer
Mr. Srikant N Sharma***(upto July 23, 2024)	Company Secretary
Mr. Varadvinayak Khambete (w.e.f. July 24, 2024)	Company Secretary

*Dr. Gopakumar Nair ceased to be Non-Executive Independent Director w.e.f. May 17, 2024, due to retirement.

**Mr. Ramanand Mundkur appointed as Independent Director w.e.f. November 14, 2024.

***Mr. Srikant N Sharma ceased to be Company Secretary from July 24, 2024, due to retirement.

b) Associate

Health and Wellness India Private Limited

c) Enterprises under significant influence of key management personnel or their relatives:

Dupen Laboratories Private Limited

Silk Road Communications Private Limited.

Lacto Cosmetics (Vapi) Private limited

Kamml Technologies

48. Related parties disclosures as per Ind AS 24 *(Cont'd)*

B) Related party transactions:

(₹ in Lakhs)

Sr. No.	Particulars	Key Management Personnel*	Enterprise significantly influenced by KMP or their relatives	Joint Ventures/ associates
1	**Remuneration to Directors and Key Management Personnel***			
	Mr. Krishna Datla	**320.61**	-	-
		(254.99)	(-)	(-)
	Mr. Satish Varma	**253.27**	-	
		(178.66)	(-)	(-)
	Ms. Anupama Datla Desai	**178.53**	-	-
		(129.92)	(-)	(-)
	Mr. Prashant Nagre #	**243.72**	-	-
		(706.89)	(-)	(-)
	Mr. Sumesh Gandhi #	**132.22**	-	-
		(155.10)	(-)	(-)
	Mr. Srikant N Sharma #	-	-	-
		(38.78)	(-)	(-)
	Mr. Varadvinayak Khambete #	**32.92**	-	-
		(23.93)	(-)	(-)
	Commission to non-executive directors (excluding statutory levy)			
	Ms. Rajeshwari Datla	**9.77**	-	-
		(-)	(-)	(-)
	Mr. Rajashri Ojha	**9.77**	-	-
		(-)	(-)	(-)
	Mr. Pramod Kasat	**9.77**	-	-
		(-)	(-)	(-)
	Mr. Ramanand Mundkur	**9.77**	-	-
		(-)	(-)	(-)
	Mr. Pradeep Chandan	**9.77**	-	-
		(-)	(-)	(-)
2	**Directors sitting fees**			
	Dr. Gopakumar Nair	-	-	-
		(1.10)	(-)	(-)
	Ms. Rajeshwari Datla	**7.30**	-	-
		(9.30)	(-)	(-)
	Ms. Rajashri Ojha	**10.80**	-	-
		(8.80)	(-)	(-)
	Mr. Pramod Kasat	**12.10**	-	-
		(10.20)	(-)	(-)
	Mr. Pradeep Chandan	**7.40**	-	-
		(9.50)	(-)	(-)
	Mr. Ramanand Mundkur	**11.60**	-	-
		(2.50)	(-)	(-)

48. Related parties disclosures as per Ind AS 24 *(Cont'd)*

(₹ in Lakhs)

Sr. No.	Particulars	Key Management Personnel*	Enterprise significantly influenced by KMP or their relatives	Joint Ventures/ associates
3	**Rent and service income**			
	Silk Road Communications Private Limited	-	-	-
		(-)	(1.13)	(-)
	Kamml Technologies	-	**36.23**	-
		(-)	(-)	(-)
4	**Sale of products**			
	Dupen Laboratories Private Limited	-	**14.69**	-
		(-)	(44.06)	(-)

(Figures in brackets are the corresponding figures in respect of the previous year.)

* Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

 # The remuneration to the key managerial personnel include ESOP Perquisites: (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Mr. Prashant Nagre	-	511.87
Mr. Sumesh Gandhi	-	45.94
Mr. Srikant N Sharma	-	8.57
Mr. Varadvinayak Khambete	-	3.15

C) Balance outstanding as at the end of the year :

Sr. No.	Particulars	March 31, 2026	March 31, 2025
a.	**Trade receivables**		
	Enterprises under significant influence of key management personnel or their relatives		
	Kamml Technologies	13.47	-
b.	**Inter corporate deposits (ICD)**		
	Associate		
	Health and Wellness India Private Limited	37.00	37.00
c.	**Provision for diminution in value of investments**		
	Associate		
	Health and Wellness India Private Limited (including share application money)	784.86	784.86
d.	**Allowances for doubtful debts/advances/ICD**		
	Associate		
	Health and Wellness India Private Limited	37.00	37.00

All transactions entered into with Related Parties as defined under Regulations during the financial year were in the ordinary course of business and on arm's length pricing basis.

48. Related parties disclosures as per Ind AS 24 *(Cont'd)*

D) Options to Key management personnel position

Sr. No.	Particulars	As at March 31, 2026				
		Total No. of Option Outstanding as at March 31, 2025	Grant during the year	Total No. of Option Vested	Total No. of Option Cancelled / Forfeited/ Exercised	Total No. of Option Outstanding
a)	Mr. Prashant Nagre	-	72,500	-	-	72,500
b)	Mr. Sumesh Gandhi	-	48,192	-	-	48,192
c)	Mr. Varadvinayak Khambete	-	4,510	-	-	4,510

Sr. No.	Particulars	As at March 31, 2025				
		Total No. of Option Grant	Total No. of Option Vested	Total No. of Option Cancelled / Forfeited*	No. of Option Exercise in the year ended March 31, 2025	Total No. of Option Outstanding
a)	Mr. Prashant Nagre	217,410	217,410	-	217,410	-
b)	Mr. Sumesh Gandhi	40,161	16,065	24,096	16,065	-
c)	Mr. Varadvinayak Khambete	2,511	1,506	1,005	1,506	-
d)	Mr. Shrikant Sharma	30,117	12,047	18,070	12,047	-

* The effect of total no. of option cancelled / forfeited on estimation accounted in the earlier years.

49. Research and development expenditure

Research and development expenditure of ₹ 1,345.85 Lakhs (March 31, 2025: ₹ 1,202.08 Lakhs) (excluding interest and depreciation) has been charged to the Consolidated statement of profit and loss. The capital expenditure in the current year on research and development amounts to ₹ 44.75 Lakhs (March 31, 2025: ₹ 11.52 Lakhs).

50. Director Sitting Fees

During the year ended March 31, 2026, directors sitting fees to Non-Excecutive Directors aggregating ₹ 49.20 Lakhs and commission of ₹ 48.85 Lakhs has been charged to the Consolidated statement of profit and loss. (March 31, 2025 ₹ 41.40 Lakhs and commission ₹ NIL Lakhs)

51. Categories of the financial instruments

(₹ in Lakhs)

Particulars	March 31, 2026 Amortised Cost	FVTPL	FVTOCI	Total Carrying value	Total Fair value
Financial Assets					
(i) Investments	–	–	41.94	41.94	41.94
(ii) Trade receivables	11,159.08	–	–	11,159.08	11,159.08
(iii) Loans	122.77	–	–	122.77	122.77
(iv) Cash and cash equivalents	3,169.46	–	–	3,169.46	3,169.46
(v) Bank balances other than (iv) above	964.85	–	–	964.85	964.85
(vi) Other financial assets	5,859.26	–	–	5,859.26	5,859.26
Total	**21,275.42**	**–**	**41.94**	**21,317.36**	**21,317.36**
Financial Liabilities					
(i) Borrowings	10,888.54	–	–	10,888.54	10,888.54
(ii) Lease liabilities	444.38	–	–	444.38	444.38
(iii) Trade payables	7,715.04	–	–	7,715.04	7,715.04
(iv) Other financial liabilities	2,408.10	–	–	2,408.10	2,408.10
(v) Derivatives not designated as hedge	–	38.81	–	38.81	38.81
Total	**21,456.06**	**38.81**	**–**	**21,494.87**	**21,494.87**

(₹ in Lakhs)

Particulars	March 31, 2025 Amortised Cost	FVTPL	FVTOCI	Total Carrying value	Total Fair value
Financial Assets					
(i) Investments	–	–	48.63	48.63	48.63
(ii) Trade receivables	9,522.64	–	–	9,522.64	9,522.64
(iii) Loans	132.81	–	–	132.81	132.81
(iv) Cash and cash equivalents	2,823.96	–	–	2,823.96	2,823.96
(v) Bank balances other than (iv) above	4,345.93	–	–	4,345.93	4,345.93
(vi) Other financial assets	2,040.68	–	–	2,040.68	2,040.68
Total	**18,866.02**	**–**	**48.63**	**18,914.65**	**18,914.65**
Financial Liabilities					
(i) Borrowings	10,940.04	–	–	10,940.04	10,940.04
(ii) Lease liabilities	553.53	–	–	553.53	553.53
(iii) Trade payables	7,748.70	–	–	7,748.70	7,748.70
(iv) Other financial liabilities	2,059.04	–	–	2,059.04	2,059.04
(v) Derivatives not designated as hedge	–	41.61	–	41.61	41.61
Total	**21,301.31**	**41.61**	**–**	**21,342.92**	**21,342.92**

52. Reconciliation of Level 3 fair value measurements

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Opening balance	**5.91**	**5.91**
Total gains or (losses)		
Recognised in consolidated statement of profit and loss.	-	-
Closing balance	**5.91**	**5.91**

53. Fair Value

Assets and liabilities which are measured at amortised cost for which fair value are disclosed

(₹ in Lakhs)

Particulars	Carrying Value		Fair Value	
	March 31,2026	March 31, 2025	March 31,2026	March 31, 2025
Financial assets				
(i) Trade receivables	11,159.08	9,522.64	11,159.08	9,522.64
(ii) Cash and cash equivalents	3,169.46	2,823.96	3,169.46	2,823.96
(iii) Bank balances other than (ii) above	964.85	4,345.93	964.85	4,345.93
(iv) Loans	122.77	132.81	122.77	132.81
(v) Others financial assets	5,859.26	2,040.68	5,859.26	2,040.68
Total assets	**21,275.42**	**18,866.02**	**21,275.42**	**18,866.02**
Financial liabilities				
(i) Borrowings	10,888.54	10,940.04	10,888.54	10,940.04
(ii) Lease liabilities	444.38	553.53	444.38	553.53
(iii) Trade payables	7,715.04	7,748.70	7,715.04	7,748.70
(iv) Other financial liabilities	2,408.10	2,059.04	2,408.10	2,059.04
(v) Derivatives not designated as hedge	38.81	41.61	38.81	41.61
Total liabilities	**21,494.87**	**21,342.92**	**21,494.87**	**21,342.92**

The financial assets above do not include investments in equity instruments measured at fair value through OCI.

The Management largely due to short term maturity consider that the carrying amounts of above financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

54. Fair value hierarchy

Particulars	March 31,2026		March 31, 2025	
	Fair Value (₹ in Lakhs)	Fair value hierarchy	Fair Value (₹ in Lakhs)	Fair value hierarchy
Financial assets measured at fair value through Other comprehensive income				
Investments in equity shares-quoted	36.03	Level 1	42.72	Level 1
Investments in equity shares-unquoted	5.91	Level 3	5.91	Level 3
Financial Liabilities measured at fair value through profit or loss				
Derivatives not designated as hedge	38.81	Level 2	41.61	Level 2

55. Financial risk management objectives and policies

The Group is exposed to credit risk, liquidity risk and market risk. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Board of Directors review and agree policies for managing each of these risks, which are summarised below :

a) Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates, commodity prices and equity price risk). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term borrowings. The Group is exposed to market risks related to foreign exchange rate risk, commodity rate risk, interest rate risk and other price risks, such as equity price risks. Thus, the Group's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

i) Equity price risk

The Group's unlisted equity securities are susceptible to market price risk arising form uncertainties about future values of the investments in securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Group's Board of Directors review and approve, all investments in the equity investments.

As at March 31, 2026 and March 31, 2025, the group had exposure to equity securities measured at fair value. The changes in fair values of the equity investments were strongly positively co-related with changes in market index.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short term borrowings obligations with floating interest rates.

The Group manages it's interest rate risk by having a balanced portfolio of long term and short term borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the borrowings. With all other variables held constant, the Group's profit before tax will be affected as below due to change in interest rate:

55. Financial risk management objectives and policies *(Cont'd)*

(₹ in Lakhs)

Year ended	(+)Increase/(-) decrease in basis points	Effect on profit (decrease) / increase #
March 31, 2026	+0.50	(49.38)
	-0.50	49.38
March 31, 2025	+0.50	(57.18)
	-0.50	57.18

Loss before tax will have an equal but opposite impact.

iii) Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. The prices of the Group's raw materials generally are stable. Cost of raw materials forms the largest portion of the Group's cost of revenues. A large portion of the Group's sales are subject to commodity rate risk having a volatile pricing. The group monitors overall demand supply position and pricing movement to decide marketing strategies to overcome risk of changing prices of the products.

iv) Foreign currency risk

The Group's foreign exchange risk arises from its foreign currency revenues and expenses and foreign currency borrowings. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Groups's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group largely uses the natural hedge to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

55. Financial risk management objectives and policies *(Cont'd)*

The year end foreign currency exposures that have not been hedged (before giving effects of natural hedge) by derivative instrument or otherwise are given below:

A) Significant foreign currency risk exposure relating to trade receivables, other financial assets and cash and cash equivalents:

Particulars	March 31,2026			March 31, 2025	
	Foreign Currency	Amount in foreign currency (in Lakhs)	₹ in Lakhs	Amount in foreign currency (in Lakhs)	₹ in Lakhs
Financial assets					
Cash and cash equivalents (including EEFC)	AED	0.03	0.70	0.06	1.34
	BDT	0.09	0.07	0.09	0.00
	CAD	0.01	0.84	0.01	0.74
	CHF	0.00	0.40	0.00	0.32
	CZK	0.00	0.01	0.00	0.01
	EUR	0.11	12.32	0.12	11.23
	GBP	0.00	0.38	0.00	0.33
	JPY	0.19	0.11	0.19	0.00
	NOK	0.00	0.00	0.00	0.00
	NZD	0.02	1.05	0.02	0.94
	OMR	0.00	0.86	0.00	0.78
	RUB	0.01	0.02	0.01	0.01
	SGD	0.03	1.87	0.03	1.62
	TRY	0.01	0.02	0.01	0.02
	USD	0.23	22.13	0.32	27.32
	THB	0.48	1.38	0.48	1.20
	SAR	0.13	3.18	0.13	2.87
	HKD	0.13	1.61	0.13	1.46
Business advances	EUR	0.08	8.31	8.69	800.23
	USD	5.30	502.37	6.02	514.22
Trade receivables and other financial assets (Gross)	USD	24.07	2,283.02	32.22	2,753.61
	GBP	0.00	0.28	0.00	0.25
	EURO	28.92	3,152.23	30.38	2,797.32

Zero (0.00) value represent less than hundreds.

55. Financial risk management objectives and policies *(Cont'd)*

B) Significant foreign currency risk exposure relating to borrowings and trade payables :

Particulars	March 31,2026			March 31, 2025		
	Foreign Currency	Amount in foreign currency (in Lakhs)	₹ in Lakhs	Foreign Currency	Amount in foreign currency (in Lakhs)	₹ in Lakhs
Financial liabilities						
Trade payable	EURO	69.28	7,550.83	EURO	86.52	7,967.68
	USD	18.90	1,792.77	USD	3.20	273.77
	CAD	0.01	0.37	CAD	0.01	0.32
	GBP	0.11	13.53	GBP	0.10	10.74
Borrowings (PCFC)	EURO	26.18	2,853.14	EURO	21.34	1,965.06
	USD	4.24	401.75	USD	11.70	999.69
Foreign Currency Term Loan (FCTL)	EURO	13.91	1,515.89	EURO	21.49	1,979.29

C) Foreign currency sensitivity

For the years ended March 31, 2026 and March 31, 2025, every 5% strengthening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets / liabilities would decrease the Group's profit and increase the Group's total equity by approximately (net) ₹ 406.76 Lakhs and ₹ 314.04 Lakhs, respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to equal but opposite effect. In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

D) Derivative contracts

The Parent is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollars and Euros and foreign currency debts in US dollars and Euros. The Group uses cross currency interest rate swap (known as, "derivatives") to mitigate its risk of changes in foreign currency exchange rates. The counterparty for these contracts is generally a bank.

The following table gives details in respect of the notional amount of outstanding foreign exchange derivative contract:

Particulars	Currency	Foreign Currency in Lakhs	Buy/Sell	Cross Currency	March 31, 2026 (₹ in Lakhs)	March 31, 2025 (₹ in Lakhs)
Derivatives not designated as hedges						
Currency hedges						
Currency hedges EUR	EUR	3.25	Sell	INR	331.18	14.76
Currency hedges USD	USD	1.63	Sell	INR	142.17	3.27
Cross currency interest rate swap	EUR	-	Buy	INR	-	23.59

55. Financial risk management objectives and policies *(Cont'd)*

b) Credit risk

Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers, loans and other financial assets. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counter party to which the Group grants credit terms in the normal course of business.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

i) Trade receivables

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers. The Group evaluates the concentration of risk with respect to trade receivables which is low, as its customers are widely spread with small outstanding amounts (For detailed movement in provision for trade receivables - Refer Note 16)

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Not due	6,766.20	4,518.43
Less than 6 months	4,150.96	4,838.92
6 months-1 year	5.20	71.86
1-2 years	397.31	146.66
2-3 years	91.82	16.80
Beyond 3 years	480.21	336.58
Total	**11,891.70**	**9,929.25**

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Credit risk in case of Intercorporate deposit given is managed by the Group's in accordance with the Group's policy. ICD only be given out of surplus funds, are made only with the approval of the Group's Board of Directors and are reviewed by the Group's Board on an annual basis.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations as they fall due. The Group's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Group's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

55. Financial risk management objectives and policies *(Cont'd)*

(₹ in Lakhs)

March 31, 2026	Amount	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	10,888.54	10,098.61	789.93	-
Other financial liabilities (including derivatives not designated as hedge)	2,446.91	775.01	1,671.90	-
Lease liabilities	444.38	126.30	318.08	-
Trade payables	7,715.04	7,715.04	-	-
Total	**21,494.87**	**18,714.96**	**2,779.91**	**-**

(₹ in Lakhs)

March 31, 2025	Amount	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	10,940.04	9,435.28	1,504.76	-
Other financial liabilities (including derivatives not designated as hedge)	2,100.65	438.19	1,662.46	-
Lease liabilities	553.53	109.16	444.37	-
Trade payables	7,748.70	7,748.70	-	-
Total	**21,342.92**	**17,731.33**	**3,611.59**	**-**

The Group has unutilised credit limit of borrowing facilities as at March 31, 2026: ₹ 751.80 lakhs and as at March 31, 2025 ₹ 1,774.77 lakhs from banks.

56. Capital management

The Group's capital management objectives are:

- to ensure the Groups's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Group monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the Consolidated financial statements. The Group's objective for capital management is to maintain an optimum overall financial structure.

(i) The gearing ratio at the end of the year was as follows:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Debts (Term loans and loans repayable on demand including current maturities of long term borrowings)	10,888.54	10,940.04
Less: Cash and cash equivalents (Refer Note 17)	3,169.46	2,823.96
Net debt	**7,719.08**	**8,116.08**
Total equity	**40,054.59**	**35,851.53**
Net debt to equity ratio (%)	**19%**	**23%**

56. Capital management *(Cont'd)*

(ii) Dividend on equity shares paid during the year

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Dividend on equity shares		
Dividend for the year ended March 31, 2025 of ₹ 2.50 per share on 2,91,68,976 equity shares of ₹ 5.00/- each, fully paid up (net of 7,60,299 equity shares of ₹ 5.00/- each which were held by ESOP Trust) [Refer Note 22(a)]	729.22	
(Dividend for the year ended March 31, 2024 of ₹ 1.25 per share on 2,88,94,061 equity shares of ₹ 5.00/- each, fully paid up (net of 5,36,926 equity shares of ₹ 5.00/- each which were held by ESOP Trust)		361.18

Dividends not recognised at the end of the reporting period

The Board of Directors of the Group at its meeting held on May 26, 2026 have recommended dividend of ₹ 3.75 per share. The proposed dividend is subject to the approval of shareholders in the ensuring annual general meeting and hence not recognised as a liability.

57. Investment properties

Criteria used for classification of property as investment property

The Group has considered the following for classification of property as investment property:

(i) Investment property comprises building and other assets required to provide ancillary services to the occupants of the investment property.

(ii) The properties that are not occupied by the Group for use in production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation are classified as investment property.

Group's investment property comprised of Thane One Building (primarily meant for renting)(Ground floor -13 floors), Ceejay House, freehold land located at Majiwade Thane and land at Takawe.

For Thane One building, 1st floor -13th floors were sold in year ended March 31, 2024 and earlier years.

During the previous year ended March 31, 2025, Group sold part of its Investment in property consisting of Ceejay House and freehold land located at village Takawe.

Further in current year the Group has additionally sold part of its Investment in Property consisting of freehold land located at village Takawe.

Total income recorded on such sale of Investment Property for the year ended March 31, 2026, is ₹ 162.89 lakhs and for the year ended March 31, 2025, is ₹ 4,457.88 lakhs has been recognized as income under the head revenue from operations pertaining to property segment.

Further, during the year, the Group constructed and transferred the MLCP (Multi-Level Car Parking) as part of the bundled floor sales for Thane One building. Accordingly, deferred revenue and the related cost, pertaining to the past performance obligation satisfied during the current year, have been recognized in the current year. For movement Refer Note 31.

57. Investment properties *(Cont'd)*

Estimation of fair value

The fair value of the Investment Property consisting of Thane one building ground floor and Takwe land has been determined in the financial period March 31, 2026 as ₹ 515.66 Lakhs (March 31, 2025 as ₹ 1,225.32 Lakhs). The fair value has been determined based on the latest sale agreement.

For Freehold land located at Majiwade Thane (balance portion of Thane One land) , Group has entered into a development agreement for grant of development rights to M/s Mextech for construction of residential-cum-commercial building. Refer Note 63 for terms of such arrangement.

Amount recognised in Consolidated statement of profit and loss

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Income from investment properties		
Rent and Service Income	661.74	982.30
Sale of properties	162.89	4,457.88
Other Income	126.64	-
Less: Direct operating expenses (including repairs and maintenance) generating income from investment properties	730.26	593.82
Income arising from investment properties	**221.01**	**4,846.36**
Less: Depreciation	(10.03)	(16.26)
Income arising from investment properties after depreciation	**210.98**	**4,830.10**

Refer Note 44B for operating lease arrangements and total future minimum lease rentals receivable.

Refer Note 63 for deposit received against the signed Binding Term Sheet (Development Agreement) and grant of development rights to Mextech for construction of residential-cum-commercial buildings in the balance portion of Thane land.

58. Income tax

A Tax expense recognised in the Consolidated statement of profit and loss and other comprehensive income consists of:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Tax expenses:		
Current tax	1,525.58	1,312.24
Deferred tax charge/(credit)	1,035.04	(631.74)
Income tax expense recognised in the Consolidated statement of profit and loss	**2,560.62**	**680.50**
Tax expense / (income) recognised in other comprehensive income	**6.55**	**(32.75)**
Total tax expense	**2,567.17**	**647.75**

58. Income tax *(Cont'd)*

B A reconciliation of income tax expense to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Profit before tax	9,586.05	8,320.78
Average Statutory Income tax rate as applicable to group companies (%)	29.15%	30.82%
Income tax expense calculated at enacted income tax rate	2,794.33	2,564.46
Effect of tax on:		
(i) Loss utilised on which DTA was not recognised in earlier years	(292.34)	(1,879.22)
(ii) Impact of income taxed at rates other than those applicable to Business income	(12.51)	6.88
(iii) Impact of expenses disallowed under Income Tax	63.18	24.31
(iv) Impact of adjustment of Tax related to earlier year *	135.33	-
(v) Impact of remeasurement of deferred tax due to new tax regime adoption from April 1, 2026 **	(251.76)	-
(vi) Impact of exempt / not chargeable to Tax	(37.19)	(20.49)
(vii) Impact of unrecognized DTA on current year losses	158.15	38.91
(viii) Others	3.43	(54.35)
	(233.71)	**(1,883.96)**
Tax expense recognised in profit or loss	**2,560.62**	**680.50**
Tax expense / (income) recognised in other comprehensive income	6.55	(32.75)
Total tax expense	**2,567.17**	**647.75**

* During the year, the Group has received final assessment order for the financial year 2021-22 basis which an additional tax charge has been recorded on account of certain disallowances/ MAT not allowed to carry Forward.

** The Group has elected to exercise the option available under Section 115BAA of the Income-tax Act, 1961, to pay corporate income tax at the concessional rate of 22% plus applicable surcharge and cess, resulting in an effective tax rate of 25.12%, with effect from Financial Year 2026-27. Accordingly, the Group has remeasured its deferred tax assets and liabilities as at March 31, 2026, using the revised tax rate. The resulting impact of ₹ 251.76 lakhs has been recognized as deferred tax income in the Statement of Profit and Loss for the year ended March 31, 2026.

58. Income tax *(Cont'd)*

C The major components of deferred tax (liabilities)/assets arising on account of temporary differences are as follows:

(₹ in Lakhs)

Particulars	March 31, 2026				
	As at April 01, 2025	Statement of profit and loss	Other comprehensive income	Impact of proposed adoption to new tax regime	As at March 31, 2026
(I) Components of deferred tax assets (net)					
Deferred tax liabilities					
Property, Plant and Equipment, investment property and intangible assets: Impact of difference between written down value as per books of account and income tax	(4,303.76)	227.45	-	552.94	(3,523.37)
Lease Liability	(144.61)	(43.31)	-	25.49	(162.43)
Deferred tax assets					
Expenses claimed for tax purpose on payment basis and others	368.47	21.28	6.55	(54.11)	342.19
Allowance for doubtful debts and advances and impairment of investment	1,995.74	(169.46)	-	(247.70)	1,578.58
Lease assets	144.61	38.63	-	(24.86)	158.38
MAT Credit entitlement	1,571.22	(1,361.40)	-	-	209.82
Transfer of development rights (Refer Note 58D)	3,232.74	-	-	-	3,232.74
Deferred tax charge / credit		**(1,286.81)**	**6.55**	**251.76**	
Net deferred tax assets	**2,864.41**				**1,835.91**

58. Income tax *(Cont'd)*

(₹ in Lakhs)

Particulars	March 31, 2025			
	As at April 01, 2024	Statement of profit and loss	Other comprehensive income	As at March 31, 2025
(I) Components of deferred tax assets (net)				
Deferred tax liabilities				
Property, Plant and Equipment, investment property and intangible assets: Impact of difference between written down value as per books of account and income tax	(4,261.16)	(42.60)	-	(4,303.76)
Lease Liability	(160.40)	15.79	-	(144.61)
Deferred tax assets				
Expenses claimed for tax purpose on payment basis and others	245.67	90.05	32.75	368.47
Allowance for doubtful debts and advances and impairment of investment	1,995.74	-	-	1,995.74
Lease assets	160.40	(15.79)		144.61
MAT Credit entitlement	4,089.03	(2,517.81)	-	1,571.22
Transfer of development rights (Refer Note 58D)	-	3,232.74	-	3,232.74
Business losses	130.63	(130.63)	-	-
Deferred tax charge / credit		**631.74**	**32.75**	
Net deferred tax assets	**2,199.91**			**2,864.41**

D In the previous year ended March 31, 2025, the Group had evaluated the tax implications of the Development Agreement and Supplementary Development Agreement entered into with Mextech Property Developers LLP, as detailed in Note 63 of the consolidated financial statements. The Group had assessed that the transfer of physical possession of the land during the current financial year satisfies the conditions for "transfer" under Section 2(47) of the Income-tax Act, 1961. Accordingly, the capital gains arising from the transfer of development rights in the land was considered taxable in the previous financial year ended March 31, 2025. In recognition of the resulting temporary difference between accounting and taxable income, the Group had recognised a deferred tax asset of ₹ 3,232.74 lakhs in the books of account for the year ended March 31, 2025.

E Details of unused business tax losses for which deferred tax assets have not been recognised:

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Unused tax losses of Indian Subsidiary	422.40	-
Unused tax losses of Foreign Subsidiaries	2,170.22	-

The unused tax losses of Indian Subsidiary will expire in the financial year 2033-34 and unused tax losses of foreign subsidiaries can be utilised for indefinite period.

59. Share-based payments

Employee share option plan of the Parent Company

1.1 Details of the employee share option plan of the Parent Company

This ESOP 2019 scheme has been framed pursuant to the Scheme of Amalgamation between the erstwhile Fermenta Biotech Limited ("Transferor Company") with the DIL Limited ("Transferee Company") and their respective shareholders. The Transferor Company prior to the Scheme of Amalgamation had implemented the 'Fermenta Biotech Limited - Employee Stock Option Plan 2019' and were granted employee stock options to its eligible employees. Further, the number of transferee options issued shall equal to the product of number of transferor options outstanding on effectiveness of Scheme multiplied by the Share exchange ratio (0.398) and each transferee option shall have an exercise price per equity share equal to transferor option exercise price per equity shares divided by the share exchange ratio (0.398) and fractions rounded off to the next higher whole number. The terms and conditions of ESOP 2019 Scheme of DIL Limited are not less favourable than those of ESOP Scheme of erstwhile Fermenta Biotech Limited. Under the ESOP 2019 Scheme, stock options have been issued to the eligible employees of erstwhile Fermenta Biotech Limited.

In accordance with the terms of the plan, as approved by the erstwhile shareholders of Fermenta Biotech Limited at an extra general meeting, executives and senior employees with the Company were granted options to purchase equity shares.

Each employee share option converts into one equity share of the parent company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the performance-based formula and is subject to approval by the remuneration committee. The formula rewards executives and senior employees to the extent of the Parent Company and the individual's achievement judged against both qualitative and quantitative criteria.

The following share-based payment arrangements were in existence during the current year:

Options series	Number	Grant date	Expiry date	Exercise price	Fair value at grant dates
Plan 1 (60% of options granted under ESOP 2019)	101,614	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2025, 12.08.2025 and 28.02.2025	83.67	421.71 and 298.16
Plan 1 (20% of options granted under ESOP 2019)	49,526	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2026, 12.08.2026 and 28.02.2026	83.67	421.71 and 298.16
Plan 1 (20% of options granted under ESOP 2019)	28,270	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2027, 12.08.2027 and 28.02.2027	83.67	421.71 and 298.16
Plan 2 (100% of options granted under ESOP 2019)	217,410	25.02.2019	25.02.2025	83.67	418.22

Options granted under ESOP 2019 shall vest not before 1 (one) year and not later than maximum Vesting Period of 5 (five) years from the date of grant of such Options. Subject to the minimum vesting period of one year, the Nomination and Remuneration Committee of the Board at its discretion approve for acceleration of Vesting of any or all unvested Options of the Option Grantee.

The above number of options, fair value at grant dates and exercise price were adjusted in accordance with the Share exchange ratio (0.398:1) as per the scheme of amalgamation.

The above number of options, were adjusted for the Forfeited/ cancellation of option for fulfilment of year end assessment of ESOP vesting conditions.

59. Share-based payments *(Cont'd)*

1.2 Fair value of share options granted

The weighted average fair value of the share options granted during the financial year is Nil (Previous year NIL). Options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been calculated based on a weighted average of vests. Expected volatility is based on the historical share price information of similar listed entities.

Inputs into the model	Option series			
	Plan 1 (60% of options granted under ESOP 2019)	Plan 1 (20% of options granted under ESOP 2019)	Plan 1 (20% of options granted under ESOP 2019)	Plan 2 (100% of options granted under ESOP 2019)
Grant date share price	298.16 and 298.16	298.16 and 298.16	298.16 and 298.16	418.22
Exercise price	83.67	83.67	83.67	83.67
Expected volatility	69.28% and 65.33%	68.83% and 61.84%	68.08% and 60.02%	69.28%
Option life	4.51 years and 4 years	5.51 years and 5 years	6.51 years and 6 years	4.51 years
Dividend yield	0% and 0.57%	0% and 0.57%	0% and 0.57%	0.00%
Risk-free interest rate	7.14% and 5.22%	7.25% and 5.53%	7.35% and 5.78%	7.14%

1.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	March 31,2026		March 31, 2025	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	7,216	83.67	307,278	83.67
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Bonus options issued during the year	-	-	-	-
Exercised during the year	776	-	294,868	-
Expired during the year	2,700	-	5,194	-
Balance at end of year	**3,740**		**7,216**	

1.4 Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 83.67 (as at March 31, 2025: ₹ 83.67), and a weighted average remaining contractual life of 0.96 year.

59. Share-based payments *(Cont'd)*

Employee share option plan of the Parent Company

2.1 Fermenta Biotech Limited - Employee Stock Option Plan 2019

Grant during the financial year 2025-26

The number of stock options granted is determined in accordance with the performance-based formula approved by the Nomination and Remuneration Committee at its meeting held on January 12, 2025. The formula is designed to reward executives and senior employees based on the achievement of the Company's performance objectives as well as the individual's performance, assessed against both qualitative and quantitative criteria.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangements were in existence during the current year:

Options series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Plan 1 (1/3 of options granted under ESOP 2019)	81,863	01.04.2025	31.05.2029	83.67	201.48
Plan 1 (1/3 of options granted under ESOP 2019)	81,863	01.04.2025	31.05.2030	83.67	206.01
Plan 1 (1/3 of options granted under ESOP 2019)	81,863	01.04.2025	01.06.2031	83.67	212.14

Options granted under ESOP 2019 shall vest not before 1 (one) year and not later than maximum Vesting Period of 5 (Five) years from the date of grant of such Options. Subject to the minimum vesting period of one year, the Nomination and Remuneration Committee of the Board at its discretion approve for acceleration of Vesting of any or all unvested Options of the Option Grantee.

The above number of options, were adjusted for the Forfeited/ cancellation of option for fulfilment of year end assessment of ESOP vesting conditions.

2.2 Fair value of share options granted

The weighted average fair value of the share options granted during the financial year is ₹ 206.54 (previous year Nil). Options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been calculated based on a weighted average of vests. Expected volatility is based on the historical share price information of similar listed entities.

Inputs into the model	Option series		
	Plan 1 (1/3 of options granted under ESOP 2019)	Plan 1 (1/3 of options granted under ESOP 2019)	Plan 1 (1/3 of options granted under ESOP 2019)
Grant date share price	206.54	206.54	206.54
Exercise price	83.67	83.67	83.67
Expected volatility	48.35%	48.54%	53.52%
Option life	2.67 year	3.67 year	4.67 year
Dividend yield	0.46%	0.46%	0.46%
Risk-free interest rate	6.34%	6.34%	6.34%

59. Share-based payments *(Cont'd)*

2.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	March 31,2026		March 31, 2025	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	-	-	-	-
Granted during the year	254,590	83.67	-	-
Forfeited during the year	9,000	-	-	-
Bonus options issued during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Balance at end of year	**245,590**	**-**	**-**	**-**

2.4 Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 83.67 (as at March 31, 2025: ₹ Nil), and a weighted average remaining contractual life of 3.67 year.

3.1 Fermenta Biotech Limited - Employee Stock Option Scheme 2025

Grant during the financial year 2025-26

The shareholders, at its meeting held on August 12, 2025, approved the ESOP Scheme, which provides for the grant of up to 500,000 (Five Lakh) stock options to eligible employees in one or more tranches. The Nomination and Remuneration Committee (Compensation Committee) is authorized to administer the ESOP Scheme and grant stock options in accordance with its provisions.

The number of stock options granted under the Fermenta Biotech Limited – Employee Stock Option Scheme 2025 ("”ESOP Scheme””) is determined in accordance with the performance-based formula prescribed under the Scheme. The formula is designed to reward executives and senior employees based on the achievement of the Company's performance objectives as well as the individual's performance, evaluated against both qualitative and quantitative criteria.

Each employee share option converts into one equity share of the parent company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangements were in existence during the current year:

Options series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Plan 1 (1/2 of options granted under ESOP 2025)	28,250	08.01.2026	01.06.2030	83.67	267.42
Plan 1 (1/2 of options granted under ESOP 2025)	28,250	08.01.2026	01.06.2031	83.67	270.15

Options granted under ESOP 2025 shall vest not before 1 (one) year and not later than maximum Vesting Period of 5 (five) years from the date of grant of such Options. Subject to the minimum vesting period of one year, the Nomination and Remuneration Committee of the Board at its discretion approve for acceleration of Vesting of any or all unvested Options of the Option Grantee.

The above number of options, were adjusted for the Forfeited/ cancellation of option for fulfilment of year end assessment of ESOP vesting conditions.

59. Share-based payments *(Cont'd)*

3.2 Fair value of share options granted

The weighted average fair value of the share options granted during the financial year is ₹ 268.79 (previous year Nil). Options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been calculated based on a weighted average of vests. Expected volatility is based on the historical share price information of similar listed entities.

Inputs into the model	Option series	
	Plan 1 (1/2 of options granted under ESOP 2025)	Plan 1 (1/2 of options granted under ESOP 2025)
Grant date share price	268.79	268.79
Exercise price	83.67	83.67
Expected volatility	50.39%	48.12%
Option life	2.9 year	3.9 year
Dividend yield	0.73%	0.73%
Risk-free interest rate	5.98%	6.14%

3.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	March 31,2026		March 31, 2025	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	-	-	-	-
Granted during the year	56,500	83.67	-	-
Forfeited during the year	-	-	-	-
Bonus options issued during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Balance at end of year	**56,500**	**-**	**-**	**-**

3.4 Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 83.67 (as at March 31, 2025: ₹ Nil), and a weighted average remaining contractual life of 3.4 year.

60. Commitments

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	1,901.06	385.59
(b) Lease commitments	157.44	132.96

61. Contingent liabilities

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Claims against the Group not acknowledged as debts*		
Tax matters		
(a) Service tax department raised demand of ₹ 22.50 Lakhs consisting of Service Tax of ₹ 7.50 Lakhs and penalty of ₹ 15.00 Lakhs in connection with services rendered post demerger of the pharmaceutical division. Commissioner of Service Tax Mumbai and CESTAT has upheld the order of Joint Commissioner of Service Tax. The Group Company has preferred an appeal to Bombay High Court.	22.50	22.50
(b) The Deputy Commissioner of sales tax has confirmed the order of the Assistant Commissioner of sales tax Vapi, Gujarat for year 1992-93 and 1993-94 for demand of interest and penalty due to shortfall in tax payment on account of computation of purchase tax setoff. Company has preferred an appeal to sales tax tribunal Ahmedabad, Gujarat and obtained stay against the order/demand of the Assistant Commissioner pending final disposal.	4.63	4.63
(c) Office of the Assistant Commissioner, Central Goods & Services Tax Division – Mandi, Himachal Pradesh, issued a demand for IGST refund, interest, and penalty for the years 2018–2020 due to the alleged incorrect refund of IGST to EOUs/ AAHs. The company has submitted its reply, and the matter is currently pending final disposal or outcome by the Office of the Assistant Commissioner.	135.65	135.65

Note: Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various authorities/forums and/or final outcome of the matters.

*Excludes interest.

62. Capitalisation of borrowing costs

The Group has not capitalised any borrowing cost in current and previous year.

63. The Group entered into a Development Agreement dated July 26, 2022, with Mextech Property Developers LLP (“Mextech” or “the Developer”), granting development rights for construction of residential-cum-commercial buildings on the balance portion of its land in Thane, classified as investment property. As per the development agreement, in lieu of development rights transferred, Company is entitled to 1,20,000 sq ft carpet area in the new residential building. In the previous year, the Group executed a Supplementary Development Agreement (SDA) on June 10, 2024, and subsequently handed over physical possession of the project land to Mextech on June 16, 2024. The Group has received ₹ 1,500 lakhs as refundable deposit from Mextech.

The Group has entered a development arrangement (DA) with a developer for development of its land parcel currently held as Investment property. Under such arrangement, the Group’s performance obligation is to grant development rights over land in exchange for an agreed share of constructed area in the developed project. Based on the terms of the arrangement and in lieu of Expert Advisory Committee (EAC) Opinion issued on Revenue Recognition in a Joint Development Arrangement under AS framework, the Group evaluates whether development agreement constitutes joint arrangement under Ind AS 111. The Group does not undertake construction activities and is not considered to be providing construction services to the developer. Accordingly, the arrangement does not give rise to a performance obligation towards the developer under Ind AS 115. Instead, the Group earns income through sale of its share of constructed units to third-party customers. Accordingly Revenue represents consideration from sale of the Group’s share of constructed units to third-party customers. Revenue is recognised in accordance with Ind AS 115 at point in time, when control of the real estate unit is transferred to the customer which coincides with completion of the project determined basis receipt of Occupancy Certificate, handover of the possession to the customer, and receipt of entire sale proceeds and when other conditions are met.

In addition, the Group has sold 24 flats in the under-construction residential building and received advances amounting to ₹ 1,128.74 lakhs against these sales.

64. Revenue from Contracts with Customer

1. Disaggregated Revenue Information

Set out below is the disaggregation of the Group's revenue from contracts with customers :

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Type of goods or services		
Sale of products	50,964.25	41,102.61
Sale of services (environment solution services)	566.67	309.65
Rent and service income from investment properties	661.74	839.25
Sale of investment properties	162.89	4,457.88
Other operating income	187.39	238.34
Total revenue from contract with customers	**52,542.94**	**46,947.73**
India	19,275.06	20,677.66
Outside India	33,267.88	26,270.07
Total revenue from contract with customers	**52,542.94**	**46,947.73**
Timing of revenue recognition		
Goods / sale of investment property transferred at a point in time	51,127.14	45,560.49
Services transferred over time (including other operating income)	1,415.80	1,387.24
Total revenue from contract with customers	**52,542.94**	**46,947.73**

2. Contract balances

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Trade receivables (Refer Note 16)	11,159.08	9,522.64
Contract assets	565.02	884.30
Contract liabilities	173.00	108.43
Deferred revenue (Reder Note 27 & 31)	1,453.82	2,581.66

65. The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of account (Refer Note 24 and Note 28)

66. Exceptional item

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(i) Incremental impact as Statutory impact of new Labour Codes towards gratuity*	(219.56)	
(ii) Provision for doubtful advances (write back)**	907.14	-
Total	**687.58**	-

*The Government has notified the Code on Social Security, 2020 ("Social Security Code"); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019 (collectively, the "Labour Codes") on 21 November 2025. The Ministry of Labour & Employment notified Central Rules on 8 May 2026 however State Rules are yet to be notified. The Group has evaluated the impact of increased employee benefits obligations arising from the implementation of the Labour Codes based on its best judgment in consultation with external experts. Accordingly, the Group has recognised ₹ 219.56 lakhs for year ended March 31, 2026.

** In the earlier years, the Group had recognised provision against certain receivables and trade receivables. The Group has recovered part amount of ₹ 907.14 lakhs against these provided balances and accordingly such provision has been reversed and recorded as an exceptional items in the current year.

67. In the previous year, the Group had entered into a deed of assignment for transfer of leasehold land located at Saykha, GIDC Gujarat for total consideration of ₹ 1,870 Lakhs. Out of this, ₹ 1,481.04 lakhs was ouststanding as on March 31, 2025, and was subsequently received during the year ended March 31, 2026.

68. Events after the reporting period

The Group has evaluated subsequent events from the date through May 26, 2026, the date at which the financial statements were available to be issued and determined that there are no material adjusting items to disclose.

69. The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights. Additionally, the audit trail of prior year has been preserved by the Group as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year

70. Relationship with Struck off companies

Group did not have any balance outstanding with companies struck off as per Ministry of corporate affairs (MCA).

71. Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year

(iv) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended March 31, 2026.

(v) The Group has complied with the no. of layers prescribed under the Companies Act, 2013.

72. Previous year figures have been re-grouped/re-classified wherever necessary.

73. The Consolidated financial statements are approved for issue by the Board of Directors of the Parent Company at its meeting held on May 26, 2026.

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal
Partner
Membership Number: 136454

Thane, May 26, 2026

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

Krishna Datla
Executive Vice-Chairman
DIN 00003247

Prashant Nagre
Managing Director
DIN 09165447

Sumesh Gandhi
Chief Financial Officer

Varadvinayak Khambete
Company Secretary
ICSI Membership No.A33861

Thane, May 26, 2026

Annual Report 2025-26

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Fermenta Biotech Limited

FERMENTA BIOTECH LIMITED

Corporate Identification Number (CIN): L99999MH1951PLC008485
Registered Office: A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwada, Thane (West) – 400610, Maharashtra, India
Tel: +91-22-6798 0800/888 · **Email:** info@fermentabiotech.com · **Website:** www.fermentabiotech.com

NOTICE

Notice is hereby given that the **Seventy-fourth Annual General Meeting** (‘**AGM**’) of the Members of Fermenta Biotech Limited (‘**FBL**’/ ‘**Company**’) will be held on **Tuesday, August 11, 2026 at 3:00 p.m.** (IST) through Video Conferencing/Other Audio-Visual Means, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   (a) the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, Reports of the Board of Directors, and the Auditors thereon; and

   (b) the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, and the Report of the Auditors thereon.

2. To declare dividend of ₹ 3.75 (Rupees Three and Paise Seventy-Five only) per equity share having face value of ₹ 5 each (75%) for the financial year ended March 31, 2026.

3. To appoint a director in place of Ms. Rajeshwari Datla (DIN – 00046864), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. To consider, and if thought fit, pass with or without modification, the following resolution as a **Special** Resolution:

   To approve the continuation of Ms. Rajeshwari Datla (DIN: 00046864) as a Non-Executive Director.

   “**RESOLVED THAT** pursuant to Section 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and provisions of Regulation 17(1A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for continuation of Ms. Rajeshwari Datla (DIN: 00046864), who has attained the age of 75 years (currently, 76 years), as a Non-Executive Director on the Board of Directors of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors (including any committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be required to give effect to this resolution.”

5. To consider, and if thought fit, pass with or without modification, the following resolution as an **Ordinary** Resolution:

   Ratification of remuneration of Cost Auditor of the Company.

   “**RESOLVED THAT** pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force), the members of the Company hereby ratify the payment of remuneration of ₹ 2,75,000/- (Rupees Two Lakhs Seventy Five Thousand only) plus taxes as applicable and reimbursement of out of pocket expenses, if any, to M/s Joshi Apte & Associates, Cost Accountants (Firm Registration Number – 00240), [‘Cost Auditor’] to conduct the cost audit in respect of applicable product(s) manufactured by the Company, for the financial year ending on March 31, 2027”.

6. To consider, and if thought fit, pass with or without modification, the following resolution as an **Ordinary** Resolution:

   Approval for Material Related Party Transactions.

   “**RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc), Regulation 23(4) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), various applicable circulars issued by Securities and Exchange Board of India (‘SEBI’) including SEBI Master Circular no. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, the applicable provisions of the Companies Act, 2013 read with the related rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws/statutory provisions, if any, Industry Standards on minimum information to be provided for review of the audit committee and shareholders for approval of Related Party Transactions, and the Company's Related Party Transactions Policy and based on recommendation of the Audit Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to continue with the existing contract(s)/arrangement(s)/transaction(s) and/or enter into new contract(s)/ arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), between the Company and Fermenta USA LLC, a step-down subsidiary of the Company ('FUSA'), for an aggregate value not exceeding ₹100 crores (Rupees One Hundred crores only), details of which are more descriptively set out in the explanatory statement to this resolution, on an arm's length basis and in the ordinary course of business, on such terms and conditions as may be agreed upon between the Company (including the Board of Directors, its committees or any person authorised by the Board) and FUSA from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, and to take all such steps as may be required in this connection including finalizing and executing necessary documents, for and on behalf of the Company, and settling all such issues, questions, difficulties or doubts whatsoever that may arise, and to take all such decisions and powers herein conferred to, without being required to seek further consent or approval of the members of the Company or otherwise to the end and intent that the members of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any committee, director(s) or chief financial officer or company secretary or any other officer(s)/authorised representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorised by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects."

7. To consider, and if thought fit, pass with or without modification, the following resolution as a **Special** Resolution:

   Commission to Non-Executive Directors.

   "**RESOLVED THAT** pursuant to the provisions of Section 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 including rules made thereunder ('Act'), Regulation 17(6) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('Listing Regulations'), Articles of Association of the Company, and in terms of the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of members be and is hereby accorded to pay and distribute among Non-Executive Directors (including Independent Directors) of the Company such commission in such manner and proportion, as set out in the explanatory statement, upto aggregate of 1 % (One per cent) of the net profits, calculated in accordance with Section 197, 198 and/or Schedule V and other applicable provisions of the Act for the financial year 2025-26.

   RESOLVED FURTHER THAT the above profit-related commission shall be in addition to fees payable to the director(s) for attending the meetings of the Board or any Committee thereof as may be decided by the Board of Directors and reimbursement of expenses for participation in such Board and Committee meetings.

   RESOLVED FURTHER THAT the Board of Directors and/or Nomination and Remuneration Committee, be and is hereby authorised to do all such acts, deeds, matters and things including deciding on the manner of payment of commission and settle all questions or difficulties that may arise with regard to the aforesaid resolution as it may deem fit and to execute any documents as may be necessary to give effect to the aforesaid resolution."

By Order of the Board of Directors of
Fermenta Biotech Limited

Varadvinayak V. Khambete
Company Secretary and Head - Legal
Membership No: A33861
Date: May 26, 2026
Place: Thane

Annexure to Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act').

Item No. 4

Pursuant to Regulation 17(1A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person; provided that the listed entity shall ensure this compliance at the time of appointment or re-appointment or any time prior to the non-executive director attaining the age of seventy-five years.

Members of the Company at the 72nd annual general meeting held on August 12, 2024 had approved continuation of Ms. Rajeshwari Datla upon attaining 75 years of her age on April 1, 2025. However, at the forthcoming 74th annual general meeting, Ms. Rajeshwari Datla shall retire by rotation and, being eligible, has offered herself for re-appointment. In view of the provisions of Regulation 17(1A) of Listing Regulations, such re-appointment would require members' approval by way of a special resolution.

Ms. Datla is a Bachelor of Science and has more than fifty-one years of rich experience in management and operations in the pharmaceutical industry. She has been associated with the Company as a non-executive director since 2005. At present, she is also a member of the Nomination and Remuneration Committee and the Corporate Social Responsibility Committee of the Company. With her invaluable contribution in the strategic and decision-making process, she has been instrumental in Company's operations and growth. The Board considers that, through her continued association, her experience and knowledge would be of immense value to the Company.

The Company has received from her necessary declarations and undertakings in relation to her re-appointment and continuation.

The disclosure of information required under Regulation 36 of Listing Regulations and Secretarial Standard-2 on General Meetings is provided in Annexure-1 annexed hereto.

In view of the above, the Board, on the recommendation of the Nomination and Remuneration Committee, recommends this resolution for approval of the members of the Company, as a **Special** Resolution.

Mr. Krishna Datla (Son), Ms. Anupama Datla Desai (Daughter) and Ms. Preeti Thakkar (Daughter) are relatives of Ms. Rajeshwari Datla. Except the said relationship, none of the Directors and Key Managerial Personnel (KMPs) of the Company including their relatives is concerned or interested in the above resolution.

Item No. 5

Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (as amended from time to time) provides that the remuneration of the Cost Auditor as recommended by the Audit Committee shall be considered and approved by the Board of Directors of the Company, and thereafter ratified by the members of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s. Joshi Apte & Associates, Cost Accountants [Firm Registration Number – 00240], as Cost Auditors of the Company. The Board has recommended for the Members' approval the remuneration of ₹ 2,75,000/- (Rupees Two Lakh Seventy-Five Thousand only) to be paid to the Cost Auditors for conducting the Cost Audit for the financial year 2026-27 plus taxes to be paid as applicable, and all out of pocket expenses in relation to the said Cost Audit shall be reimbursed to the Cost Auditor as per actuals. The Board of Directors recommends resolution 5 of this Notice for approval of the members of the Company, as an **Ordinary** Resolution.

None of the Directors and the Key Managerial Personnel of the Company, including their relatives, is in any way interested or concerned in this resolution.

Item No. 6

The Members are informed the following:

The Company has a wholly-owned subsidiary named Fermenta Biotech USA LLC ('FBU') incorporated in state of Delaware in United States of America. FBU holds 52% membership interest in Fermenta USA LLC ('FUSA'), a limited liability company based in Texas, USA. Accordingly, FUSA is a step-down subsidiary of the Company, a 'Related Party' as per the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). FUSA is, *inter alia*, in the domain of human and animal nutrition. The Company sells its products to FUSA for sale and distribution in the foreign markets.

Pursuant to the provisions of Regulation 23(4) and other applicable regulations of Listing Regulations, all material Related Party Transactions and subsequent material modifications as defined by the audit committee require prior approval of the members through resolution, and no related party shall vote to approve such resolution. For this purpose, a transaction with a related party shall be considered 'Material' if transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed the thresholds specified in Schedule XII of the Listing Regulations. Since the Company's consolidated turnover is upto ₹ 20,000 crore, the threshold is 10% of the annual consolidated turnover ('Material RPT').

It is in the business interest of the Company to have members' approval in place for entering into Material RPT with FUSA. Therefore, it is proposed by the Board, on the approval and recommendation of Audit Committee, to seek members' approval for entering into Material RPT with FUSA for sale of Company's Products to FUSA, upto an amount of ₹ 100 crore in one or more transactions. The said limits/threshold of ₹ 100 crore shall be subject to provisions regarding material modifications as per Company's Related Party Transactions Policy and accordingly, the audit committee of the Company is authorised to approve any modification or variation (including upward variation) in the limits of ₹ 100 crore upto the extent of less than 20% of it. Any modification or variation of 20% or more in the limits/threshold of ₹100 crore shall require approval of the members as per the statutory provisions.

As per the provisions of Listing Regulations, the Members' approval granted under this resolution shall be valid upto the date of the next AGM (2027) held within the timelines prescribed under Section 96 of the Companies Act, 2013 and rules, notifications, and circulars issued thereunder from time to time.

All members of the Audit Committee who are independent directors have granted approval for entering into the said Material RPT with FUSA and subsequently the Board has also approved and recommended the said resolution for members' approval.

The information required to be placed before Members as per Industry Standards ('RPT Industry Standards') issued by SEBI vide circular number SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 along with the information to be provided as per section 188 read with rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013, is annexed as Annexure 2.

The Audit Committee has reviewed the certificates provided by Mr. Prashant Nagre, Managing Director and Mr. Sumesh Gandhi, Chief Financial Officer of the Company as required under the RPT Industry Standards.

Mr. Prashant Nagre, Managing Director, Mr. Satish Varma, Executive Director, and Mr. Sumesh Gandhi, Chief Financial Officer are managers in FUSA. Except to the extent of their managership in FUSA and shareholding and key managerial position in the Company, none of the Directors and Key Managerial Personnel and their relatives, are concerned or interested in this Resolution.

The Members may note that as per the provisions of the Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transaction or not), shall not vote to approve this resolution. The Board of Directors recommends resolution 6 of this Notice for approval of the Members as **Ordinary** Resolution.

Item No. 7

The members are informed that subject to the provisions of Section 197, 198 of the Act read with Schedule V of the Act and Regulation 17(6) of the Listing Regulations, Non-Executive Directors ('NEDs') of the Company can be paid remuneration including profit related commission (even if it is in excess of the aggregate limits prescribed by Section 197 of the Act) with the requisite approval of the members of the Company. Accordingly, the Nomination and Remuneration Committee and the Board of Directors, at their respective meetings held on May 26, 2026, have recommended for members' approval the commission aggregating upto 1% (One percent) of the net profits, calculated in accordance with Section 197, 198 and/or Schedule V and other applicable provisions of the Act, for the financial year 2025-26, notwithstanding that the said commission may be in excess of the aggregate limits prescribed by Section 197 and Schedule V of the Act.

As on date of this Notice, there are 5 (five) NEDs on the Company's Board of Directors including 4 (four) independent directors. The Commission to them is proposed in view of the contribution made by NEDs to the Company in their respective areas of competency and expertise and in value adding and advancing the decisions of the Board by aligning with the overall objectives and vision of the Company.

The members are requested to accord their approval to pay the aforesaid Commission to those NEDs (including Independent Directors) of the Company who were directors of the Company as on March 31, 2026. The Board of Directors recommends resolution 7 of this Notice for approval of the Members of the Company as a **Special** Resolution.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor.

Except NEDs in their capacity as directors and to the extent of their shareholding and commission payable to them vide this resolution (if approved) and their relatives, none of the Directors and the Key Managerial Personnel of the Company including their relatives is concerned or interested in the resolution.

By Order of the Board of Directors of
Fermenta Biotech Limited

Varadvinayak V. Khambete
Company Secretary and Head - Legal
Membership No: A33861
Date: May 26, 2026
Place: Thane

Annexure 1

(referred to in the explanatory statement)

Brief profile of director to be reappointed as per sub-regulation (3) of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings.

Name of Director	Ms. Rajeshwari Datla (DIN: 00046864), Non-Executive Director
Age	76 years
Date of first appointment on the Board	July 21, 2005
Qualifications	Bachelor of Science
Brief resume, experience and nature of expertise in specific functional areas	Ms. Datla is a Bachelor of Science and has more than fifty-one years of rich experience in management and operations in the pharmaceutical industry. She has been associated with the Company as a non-executive director since 2005. At present, she is also a member of the Nomination and Remuneration Committee and the Corporate Social Responsibility Committee of the Company. With her invaluable contribution in the strategic and decision-making process, she has been instrumental in Company's operations and growth.
Number of meetings of the Board of the Company attended during FY 2025- 26	7
Directorship held in other companies	• Dupen Laboratories Private Limited • Lacto-Cosmetics (Vapi) Private Limited
Chairmanships/ Memberships of Committee of other Company's Boards	Nil
Listed entities from which the person has resigned in the past three years	Nil
Terms and conditions of appointment along with remuneration proposed to be paid and Remuneration last drawn	Ms. Rajeshwari Datla is a non-executive director and hence does not receive any remuneration. The details of sitting fees are as provided in Corporate Governance Report.
Shareholding of Director (FV of ₹ 5/- each) (as on March 31, 2026)	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Relative of Mr. Krishna Datla (Executive Vice-Chairman) and Ms. Anupama Datla Desai (Executive Director)

Annexure 2

(referred to in the explanatory statement)

Information pursuant to RPT Industry Standards and section 188 read with rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013.

Part A of the RPT Industry Standards:

Sr. No.	Particulars of the information	Information provided by the management
	Basic details of the related party	
1	Name of the related party	Fermenta USA LLC ('FUSA'),
2	Country of incorporation of the related party	The United States of America
3	Nature of business of the related party	Human and animal nutrition
	Relationship and ownership of the related party	
4	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	FUSA is a limited liability company based in Texas, USA. FUSA is the Company's step-down subsidiary. The Company's wholly-owned subsidiary, Fermenta Biotech USA LLC, holds 52% of membership interest in FUSA.
	• Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. • Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary). • Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	FUSA doesn't have any shareholding in the Company and any of its subsidiary companies.
	Details of previous transactions with the related party	
5	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	Nature of transactions - Sale of products Amount for FY 2025-2026 – ₹ 21,75,60,039.06/-
6	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	As above
7	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	Nil
	Amount of the proposed transaction(s)	
8	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	Yes
9	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	As and when the actual amount of transaction reaches the threshold mentioned in the explanatory statement.

10	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	19%
11	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not Applicable.
12	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	200%
13	Financial performance of the related party for the immediately preceding financial year:	

Particulars of FUSA	FY 2025-2026 (INR)
Turnover	45,23,76,824
Profit After Tax	(2,65,30,000)
Net worth	(12,59,80,000)

Basic details of the proposed transaction

14	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/services, giving loan, borrowing etc.)	Sale of goods i.e. Company's products.
15	Details of each type of the proposed transaction	Sale of Company's products to FUSA for sale and distribution in the foreign markets.
16	Tenure of the proposed transaction (tenure in number of years or months to be specified)	As stated in the explanatory statement
17	Whether omnibus approval is being sought?	Yes
18	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Upto ₹ 100 crores
19	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	FUSA will help the Company with greater operational capabilities to enhance Company's footprint in the USA market and other markets and to develop larger customer base. Among other benefits, the sale of Company's products through FUSA helps the Company to cater foreign markets, especially North American and Latin American markets, by supplying the products in competitive timelines i.e. reduction in the transport time. The transactions with FUSA are directly linked to the Company's sales and profits and therefore are crucial for the Company's business.
20	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	

	a. Name of the director / KMP	Mr. Prashant Nagre, Managing Director, Mr. Satish Varma, Executive Director, and Mr. Sumesh Gandhi, Chief Financial Officer are managers in FUSA.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	NIL
21	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee	Not Applicable.
22	Other information relevant for decision making.	NIL

Part B of the RPT Industry Standards:

Sr. No.	Particulars of the information	Information provided by the management
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Not Applicable.
2	Basis of determination of price.	Price depends upon the supply and demand market dynamics.
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable.

The information required to be provided as per section 188 read with rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013 i.e. Name of the related party, Name of the director or key managerial personnel who is related, if any, Nature of relationship and Nature, material terms, monetary value and particulars of the contract or arrangements is as set out in the above table.

Notes to 74th AGM Notice:

1. Pursuant to the Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 5, 2022 followed by Circular Nos. 10/2022, 11/2022 dated December 28, 2022, Circular No. 09/2023 dated September 25, 2023, Circular No. 09/2024 dated September 19, 2024 and latest Circular No. 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as **'MCA Circulars'**), holding of Annual General Meeting (**'AGM'**) is permitted through Video Conferencing or Other Audio Visual Means (**'VC/OAVM'**), without the physical presence of the Members at a common venue.

   Further, Securities and Exchange Board of India (**'SEBI'**), vide Regulations 36(1), 44(4) and 58(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**) have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations relating to the sending of Annual Report to security holders as well as appointing of proxy.

   In accordance with the Secretarial Standard-2 (**'SS-2'**) on General Meetings issued by the Institute of Company Secretaries of India (**'ICSI'**) read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the 74th AGM of the Company is being held through VC/OAVM only and Members can attend and participate in the same through VC/ OAVM. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of the AGM.

2. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Act read with MCA Circulars and any other applicable law.

3. The Board of Directors considered and decided to include the Special Businesses specified in the Notice. The relevant Explanatory Statement pursuant to Section 102 of the Act with respect to the special business items set out in the AGM Notice (**'Notice'**) is annexed and the relevant Explanatory Statement shall form part of the resolution concerned. Further, additional information as required under Listing Regulations and Circulars issued thereunder is also annexed.

4. The profile of director who is liable to retire by rotation in this AGM, and being eligible, has offered for the re-appointment at this AGM, as per Listing Regulations and SS-2, is furnished along with the Notice. The necessary statutory consent and declaration have been received by the Company from such director.

5. Since this AGM is being held through VC/OAVM, physical attendance of members has been dispensed with pursuant to MCA Circulars read with the Companies Act, 2013 (**'Act'**) and Listing Regulations. Therefore, the facility to appoint a proxy to attend and/or cast vote for a member is not available for this AGM. The proxy form, attendance slip and route map are not annexed to this Notice.

6. Pursuant to the provisions of Section 112 and 113 of the Act read with the MCA Circulars, corporate/entity members are entitled to attend and participate in the AGM through VC/OAVM and cast their votes through electronic voting (**'e-Voting'**). Corporate/entity members are required to send a certified copy of its board resolution or governing body resolution or duly executed authority letter / power of attorney (collectively referred as **'Authorization letter'**) in .pdf or .jpg format, authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting or e-Voting. The said Authorization letter shall be sent to the Scrutinizer appointed by the Board of Directors of the Company viz. Mr. V. N. Deodhar (Membership No. FCS 1880), Proprietor of V. N. Deodhar & Co., Practising Company Secretaries, by email from their registered email address to vndeodhar@gmail.com with copies marked to the Company at ls@fermentabiotech.com.

7. **Dividend related information:**

   A. Updation of members' details: The Register of Members prescribed under the Act requires the Company / Registrar & Transfer Agents viz. MUFG Intime India Private Limited (**'R&T Agent' / 'MIIPL'**) to record additional details of members, including their PAN details, email address, bank details for payment of dividend for the said updation. Members who have not shared the said information are requested to furnish the above details to the Company / its R&T Agent i.e. in case of shares held in physical mode or to their Depository Participant(s) (**'DP'**) in case of shares held in Dematerialisation (**'Demat'**) mode.

   B. Members are hereby informed that pursuant to Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF Rules), dividend which is remaining unpaid / unclaimed by

Members for a period of seven consecutive years and corresponding shares shall be transferred to Investor Education and Protection Fund (**'IEPF'**). During FY 2025-26, unclaimed final equity dividend for the financial year 2017-18 (₹ 1,06,008.75). Correspondingly, 6,872 shares have also been transferred to IEPF.

The details of shares (including FY 2017-18) already transferred to IEPF are available on Company's website at https://fermentabiotech.com/transfer-of-shares-to-iepf.php Members whose dividend(s) and/ or shares have been transferred to IEPF can now claim their dividend(s) and/or shares from the IEPF Authority by following the 'Procedure to claim Refund' as detailed on the website of IEPF Authority at https://www.iepf.gov.in/IEPF/refund.html.

The details of Members whose dividends are lying unpaid/ unclaimed with the Company as on March 31, 2026, are available on the Company's website at https://fermentabiotech.com/dividends-bonus-split-buyback.php. The due dates for transfer of unclaimed/unpaid dividends of the financial year 2018-19 and thereafter are as available at https://fermentabiotech.com/ dividends- bonus-split-buyback.php.

All shares in respect of which equity dividend for FY 2018-19 has remained unpaid or unclaimed for seven consecutive years or more shall be transferred by the Company to IEPF by August 13, 2026 along with the unpaid or unclaimed dividend thereon from final equity dividend for financial year 2018-19 onwards. The Company sends individual intimation letters to concerned Members along with advertisement in the newspapers seeking action from the concerned Members. The details of such Members along with their unpaid/unclaimed dividends and corresponding shares due for transfer to IEPF by August 13, 2026 is made available on the website of the Company i.e. https:// fermentabiotech.com/dividends-bonus-split-buyback.php. Members are requested to claim their unencashed final dividend for the financial year 2018-19 and dividends declared thereafter, if any, by writing a letter to the Company or R&T Agent on or before Wednesday, July 15, 2026.

C. Deduction of tax at source on Final Dividend payout:

Dividend of ₹ 3.75 (75%) per equity share of ₹ 5 each, if approved, will be paid to those members / beneficial owners whose names appear in the Register of Members as on **Record Date i.e. Wednesday, August 05, 2026** by electronic transfer to those members who have furnished bank account details to the Company / R&T Agent. Members who have not registered their Electronic Clearing Service (ECS) are requested to register the same with R&T Agent at the earliest. **The said Dividend, if approved at the AGM, will be paid to the members on or before Friday, August 21, 2026**. As per SEBI master circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 the physical security holder(s) whose folio(s) do not have PAN, Choice of Nomination, Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible for any payment of dividend in respect of such folios, only through electronic mode with effect from April 01, 2024. Such payment shall be made only after the shareholders furnish their PAN, contact details (postal address with PIN and mobile number), Bank Account details & Specimen Signature (**'KYC'**). All Members are requested to update their required details.

As per the provisions of the Income Tax Act, 2025 ('IT Act'), dividend paid or distributed by a Company shall be taxable at the hands of Members. Therefore, the Company is required to deduct tax at source from dividend at the rates applicable on the amount distributed to the Members. TDS related information is provided in **'Annexure 1 to the Notes to 74th AGM Notice'**.

8. **Documents for inspection:**

a) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, Certificate from Secretarial Auditor of the Company certifying that ESOP Scheme(s) of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and such other documents as may be statutorily required will be available electronically for inspection by the members during the AGM at https://fermentabiotech.com/annual-report.php.

b) Documents referred to in the Notice and the statement pursuant to Section 102 of the Act shall also be available electronically for inspection without any fee by members from the date of circulation of this Notice up to the date of AGM during normal business hours [09:30 A.M. to 05:00 P.M. (IST)], on all working days except Saturdays and Sundays. Members seeking to inspect such documents can send a request e-mail ID to ls@fermentabiotech.com from the registered e-mail ID mentioning the Member's name, Folio No. / Client ID and DP ID, the documents sought for inspection, along with a self-attested copy of the PAN card.

9. **Mandatory updation of PAN, KYC, Nomination and Bank details by Members:**

A. Members holding shares in physical form

Members are requested to note the following:

(i) Regulation 40 of Listing Regulations mandates that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository and transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

(ii) Members may further note that SEBI, vide its master circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, has mandated listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition etc.

(iii) Pursuant to aforesaid SEBI Master Circular dated February 6, 2026 issued to the R&T Agent read with other related SEBI Circulars and Regulation 12 of the SEBI Listing Regulations, SEBI has mandated that dividend to the shareholders holding shares in physical mode shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Contact Details (Postal Address with PIN and Mobile Number), Bank Account Details, Specimen Signature, etc., for their corresponding physical folios with the Company or its R&T Agent. Relevant FAQs have been published by SEBI in this regard. The FAQs and the abovementioned SEBI Master Circular and SEBI Circulars are available on SEBI's website and the website of the Company at https://fermentabiotech.com/investor-service-requests.php (FAQ Nos. 47 & 48).

(iv) In view of the above, Members are requested to make service requests by submitting a duly filled and signed Form **ISR-4** (for issue of Duplicate Certificate and other Service Requests) / **ISR-5** (for transmission), the format of which is available on Company's website at https://fermentabiotech.com/investor-service-requests.php and on the website of R&T Agent at www.in.mpms.mufg.com. It may be noted that any service request can be processed only after the folio is KYC compliant. In order to eliminate associated risks, shareholders holding equity shares of the Company in physical form are requested to consider converting their holdings to dematerialised form. Members holding shares in physical form may raise a service request with R&T Agent at investor.helpdesk@in.mpms.mufg.com for any assistance relating to the shares of the Company.

(v) Members holding shares in physical form are requested to furnish Form **ISR-1** (Request for registering PAN, KYC details or changes / updation thereof), Form **ISR-2** (Confirmation of signature of a member by the Banker), Form **ISR-3** (Declaration Form for Opting-out of Nomination by holders of physical securities in Listed Companies), Form **ISR-4** (Request for issue of Duplicate Certificate and other Service Requests).

(vi) As per the provisions of Section 72 of the Act, read with SEBI Master Circular dated February 6, 2026 issued to RTA, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the requisite application in Form **ISR-3** or Form **SH-14**, as the case may be.

B. Shares held in electronic form:

(i) Members may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/addition/ deletion in such bank details.

(ii) Accordingly, Members holding shares in demat form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held by the same shareholders in electronic form.

The above forms are available at the R&T Agent's website or will be made available on request in writing to the R&T Agent or to the Company. Members are requested to submit the said forms to their DPs in case the shares are held in electronic form and to the R&T Agent at investor.helpdesk@in.mpms.mufg.com or at MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) at, C-101, Embassy 247, L.B.S Marg, Vikhroli (West), Mumbai- 400083, India in case the shares are held in physical form, quoting their folio no(s).

10. **Consolidation for physical shareholders:** Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form only.

11. **Special window for re-lodgement of physical share transfer requests:** Pursuant to SEBI Circulars dated July 2, 2025 and January 30, 2026 read with SEBI Master Circular issued to RTAs dated February 6, 2026, Members who had submitted transfer deeds for physical shares before April 1, 2019, and whose requests were rejected, returned, or remained unprocessed due to deficiencies, have been provided a special re-lodgement window till February 4, 2027, to re-lodge the transfer requests. Transfers would be approved if all the requisite documents are in place. Transfer of shares under this window will be credited only in dematerialised form and will carry a one-year lock in period from the date of transfer registration. Members are requested to contact the Company or the RTA for assistance in this regard.

12. **Dispute Resolution:** SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievance with the RTA/Company directly and/ or through the SEBI SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the Company's website at https://fermentabiotech.com/investor-service-requests.php

13. In view of the MCA Circulars, the 74th Annual Report of the Company along with the Notice of the AGM, e-Voting, remote e-Voting procedure is being sent only by e-mail, to all the Members whose e-mail addresses are registered with the Company / Depository Participant(s) / R&T Agent for communication purposes. Members who have not registered their e-mail addresses as such would be sent the letter as per Regulation 36(1)(b) of Listing Regulations and are also requested to register their e-mail addresses for effective communication.

14. The Annual Report 2025-26 including the Notice calling AGM shall be sent to those members who will be holding shares as on Tuesday, July 14, 2026 as per the Register of Members and Register of Beneficial Owners of the Company. The persons who are members of the Company as on **Wednesday, August 05, 2026, ('Cut-Off Date')** as per the Register of Members / Register of Beneficial Owners shall be eligible to attend AGM and/or vote. In case a person becomes a member of the Company after Tuesday, July 14, 2026, and is a member as on the Cut-Off Date, such person may download the above from https://fermentabiotech.com/annual-report.php or request the Company at ls@fermentabiotech.com for obtaining a copy. For remote e-Voting or attending the AGM through InstaMeet, such a member may obtain sequence number/ event number by sending an email to MIIPL at rnt.helpdesk@in.mpms.mufg.com or requesting to the Company at ls@fermentabiotech.com, by mentioning his/her Folio No./ DP ID and Client ID.

15. Members seeking any information or clarification on the Annual Report are requested to send written queries to the Company Secretary at the Registered Office of the Company or writing at ls@fermentabiotech.com, at least one week before the date of the 74th AGM, to make the information available at the AGM.

16. **Electronic Voting:**

    (i) In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder read with Regulation 44 of Listing Regulations read with Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, the Company is pleased to provide the facility of remote e-Voting and e-Voting, through MIIPL to exercise votes on the items of business given in this Notice, to members holding shares as on Cut-Off Date i.e. Wednesday, August 05, 2026 fixed for determining the members who shall be eligible to attend the AGM, to ascertain voting rights of such members entitled to participate in the remote e-Voting process or voting at the AGM electronically i.e. e-Voting, and to receive the dividend, if approved, as set out in the AGM Notice. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-Off Date. Any person who is not a member of the Company as on the Cut-Off Date should treat this Notice for information purposes only.

(ii) The remote e-Voting period **commences on Saturday, August 08, 2026 (9:00 am IST) and ends on Monday, August 10, 2026, (5:00 pm IST)**. During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on Cut-Off Date may cast their vote through remote e-Voting facility. The remote e-Voting module shall be disabled at 5:00 pm IST on Monday, August 10, 2026 by MIIPL for voting. Once the vote on a resolution is cast by the member, the same shall not be allowed to change subsequently. A member may participate in the AGM even after exercising his/her right to vote through remote e-Voting, however, his/her voting at the AGM shall not be considered. Alternatively, a member may cast his/her vote through the e-Voting facility provided by the Company during the AGM. In the case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

(iii) In case the members have any queries or issues regarding e-Voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available a https:// instavote.linkintime.co.in, under Help Section or send an email to enotices@in.mpms.mufg.com or contact on: Tel: 022 – 4918 6000.

(iv) Mr. V. N. Deodhar (Membership No. FCS-1880), Proprietor of V. N. Deodhar & Co., Practising Company Secretaries has been appointed as the Scrutiniser to scrutinise the e-Voting, remote e-Voting process and ballot forms as referred to notes to this AGM notice in a fair and transparent manner.

(v) The Scrutiniser shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and the e-Voting on the date of the AGM, in the presence of at least two witnesses not in the employment of the Company and make, not later than 2 (two) working days of conclusion of the AGM, a consolidated Scrutiniser's Report of the votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

(vi) The results declared along with the Scrutiniser's Report shall be placed on the Company's website at https://fermentabiotech.com/stock-exchange-intimation.php and on the website of MIIPL at https://instavote.linkintime.co.in/ not later than 2 (two) working days of passing of resolutions at the 74th AGM of the Company and communicated to BSE Limited, where the shares of the Company are listed.

(vii) Subject to casting of requisite number of assenting votes, the resolutions proposed in the Notice of AGM shall be deemed to be passed on the date of the AGM, i.e. Tuesday, August 11, 2026.

(viii) Following instructions regarding voting, attendance, etc. are set out below. Members/shareholders are requested to follow the latest applicable instructions of MIIPL:

(a) Instructions for members for remote e-Voting.

(b) Instructions for members attending the AGM through VC/OAVM.

(c) Instructions for members to register themselves to speak during the AGM through InstaMeet; and

(d) Instructions for members to vote during the AGM through InstaMeet.

17. **Instructions for members for remote e-Voting:**

i. Pursuant to SEBI master circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated, January 30, 2026, individual members holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

ii. Members are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

iii. Login method for Individual members holding securities in demat mode/ physical mode is given below:

Individual Shareholders holding securities in demat mode with NSDL

METHOD I - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP

c) Enter the OTP received on your registered email ID/ mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders registered with NSDL IDeAS facility

Shareholders who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section".

b) Enter IDeAS User ID, Password, Verification code & click on "Log-in".

c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.

d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for NSDL IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

c) Enter the last 4 digits of your bank account / generate 'OTP'

d) Post successful registration, user will be provided with Login ID and password.

e) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

f) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 3 - Individual Shareholders directly visiting the e-voting website of NSDL

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the "Login" tab available under 'Shareholder/Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".

b) Enter existing username, Password & click on “Login”.

c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration / https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration.

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password on the registered email id.

d) After successful login, user able to see e-voting menu.

e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL

a) Visit URL: https://www.cdslindia.com

b) Go to e-voting tab.

c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “Submit”.

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, user shall navigate through “e-voting” option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

1. Visit URL: https://instavote.linkintime.co.in

   Shareholders who have not registered for INSTAVOTE facility:

2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details:

   A. User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.)

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in NSDL form, shall provide 'D' above

**Shareholders holding shares in CDSL form, shall provide 'C' or point 'D' above

***Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

- Set the password of your choice

  (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

- Enter Image Verification (CAPTCHA) Code
- Click "Submit" (You have now registered on InstaVote).
- Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given below in points (3-4).

Shareholders who have registered for INSTAVOTE facility:

3. Visit URL: https://instavote.linkintime.co.in & click on "Login" under 'SHARE HOLDER' tab.
4. Enter details as under:

   A. User ID: Enter your User ID

   B. Password: Enter your existing Password

   C. Enter Image Verification (CAPTCHA) Code

   D. Click "Submit"

   (Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

5. Cast your vote for resolutions electronically:

   A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".

   B. Select 'View' icon. E-voting page will appear.

   C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

   D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

   E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

   A. 'Investor ID' –

      i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678;

      ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.

   B. 'Investor's Name - Enter Investor's Name as updated with DP.

   C. 'Investor PAN' - Enter your 10-digit PAN.

   D. 'Power of Attorney' - Attach Board resolution or Power of Attorney.

   E. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report section".

***File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.**

STEP 3 – Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Votes Entry" tab under the Menu section.

c) Enter the "Event No." for which you want to cast vote.

   Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter "16-digit Demat Account No." for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

f) After selecting the desired option i.e. Favour / Against, click on 'Submit'.

   A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

   (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will be able to see the "Notification for e-voting".

c) Select "View" icon for "Company's Name / Event number".

d) E-voting page will appear.

e) Download sample vote file from "Download Sample Vote File" tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to R&T Agent at enotices@in.mpms.mufg.com and the company at registered email address.

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

If shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on "Login" under 'SHARE HOLDER' tab.
- Click "forgot password?"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Further Click "forgot password?"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions- Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

18. **Process and manner for Members attending the AGM through VC/OAVM (InstaMeet):**
    1. Members are being provided with a facility to attend the AGM through VC/OAVM through LIIPL by following the below mentioned process. Members may access the same at https://instameet.in.mpms.mufg.com .
    2. Facility for joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available to the members on first-come-first-served basis.
    3. Participation to the members through VC/OAVM shall be made available to members on first-come-first served basis in accordance with MCA Circulars, and it will be closed on expiry of 30 (Thirty) minutes from the scheduled time of the AGM. Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the AGM without restrictions of first-come-first-served basis.

4. Members will be provided with InstaMeet facility wherein members shall register their details and attend the AGM as under:

   a) Visit URL: https://instameet.in.mpms.mufg.com & click on "Login".

   b) Select the "Company" and register with your following details:

      i. Demat Account No. or Folio No or PAN:

      - Shareholders holding shares in NSDL/CDSL demat account shall select check box- Demat Account No. and enter the 16- digit demat account number
      - Shareholders holding shares in physical form shall select check box- Folio No. and enter the Folio number registered with the Company.
      - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable
      - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
      - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.

   c) Click "Go to Meeting"

      You are now registered for InstaMeet, and your attendance is marked for the meeting.

19. **Instructions for shareholders to Speak during the General Meeting through InstaMeet:**

   a) Shareholders who would like to speak / express their views / ask questions during the AGM may register themselves at least three (3) days prior to the date of the AGM i.e. on or before Friday, August 07, 2026 (5.00 p.m. IST), by sending their requests mentioning their name, DP ID & Client ID / folio number, registered email address, registered mobile number at ls@fermentabiotech.com with copy to info@fermentabiotech.com. Please note that questions of only those shareholders holding shares as on Cut-Off Date will be considered.

   b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.

   c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

   d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

   Note: Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

20. **Instructions for Shareholders to Vote during the Annual General Meeting through InstaMeet:**

   Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

   a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

   b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET

   c) Click on 'Submit'.

   d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

   e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

The Members are requested to note the following:

Shareholders/ Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

21. In addition to facility of remote e-Voting and e-Voting provided to the members for AGM and for their wider participation, the Company is providing a facility to vote by way of Ballot Form. Members who do not have access to remote e-Voting facility may download the Ballot Form available at Company's website at https://fermentabiotech.com/annual-report.php and send duly completed Ballot Form to reach the Scrutiniser, Mr. V. N. Deodhar, Proprietor of V.N. Deodhar & Co., Practising Company Secretaries, at the Registered Office of the Company not later than Monday, August 10, 2026 (5.00 p.m. IST). Ballot Form received after the said date shall be treated as invalid. A Member may participate in the AGM even after exercising his/her right to vote through Ballot Form. A Member can opt for only one mode of voting i.e. either (a) electronically (either remote e-Voting or e-Voting at AGM) or (b) by Ballot Form. If a Member cast votes by both i.e., Ballot Form as well as electronically, then voting done electronically shall prevail and Ballot Form shall be treated as invalid. The Scrutiniser shall have the right to scrutinise the Ballot Form and decide its validity. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital.

22. The Annual Report 2025-26 including the AGM notice is being uploaded on the following websites: (i) https://fermentabiotech.com/annual-report.php (ii) www.bseindia.com and (iii) https://instavote.linkintime.co.in/.

By Order of the Board of Directors of
Fermenta Biotech Limited

Varadvinayak V. Khambete
Company Secretary and Head - Legal
Membership No: A33861

Date: May 26, 2026

Place: Thane

Encl. TDS related information is provided in 'Annexure 1 to the Notes to 74th AGM Notice'.

Annexure I to the Notes to 74^{th} AGM Notice

Intimation of Tax Deduction at Source (TDS) / withholding tax on Dividend for the Financial Year 2025-26

As per the provisions of the Income Tax Act, 2025 ('IT Act'), dividend paid or distributed by a Company shall be taxable at the hands of Members. Therefore, the Company is required to deduct tax at source from dividend at the rates applicable on the amount distributed to the Members.

If there is any change in the information, you are requested to update your records such as tax residential status, PAN and register your e-mail address, mobile numbers and other details with your relevant depositories through your depository participants in case you are holding shares in dematerialized form, and if you are holding shares in physical mode, you are requested to furnish details to MUFG Intime India Private Limited, the Registrar and Transfer Agent of the Company (**'RTA'**). The records may please be updated before the **Record Date** i.e. **Wednesday, August 05, 2026** to ensure correct deduction of tax, if applicable.

This communication provides a brief on the applicable Tax Deduction at Source (**'TDS'**) provisions under the IT Act for Resident and Non-Resident shareholder categories.

I. For Resident Shareholders

Category of Shareholders	Applicable Rate	Applicability and documents required
Resident Individuals having valid PAN	10%	(a) No tax shall be deducted on the dividend payable to resident individuals if: (i) Total dividend amount to be received by them during the tax year 2026-27 does not exceed ₹10,000/- or (ii) The shareholder provides **Form 121 - Part A** (applicable to Individuals below and above the age of 60 years), provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form, if the prescribed requirements under the IT Act are not fulfilled. (iii) Exemption certificate is issued by the Income tax department, if any. (b) In case, shareholders provide certificate under section 395(1) of the IT Act, for lower/NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy to the Company. (c) Depositories have enabled mechanism for electronic submission and simplified the process for submitting **Form 121 - Part A** for resident shareholders holding shares in dematerialized form. The form can be submitted through your Depository i.e. **Central Depository Services (India) Limited (CDSL) or National Securities Depositories Limited (NSDL)** for all demat holdings linked to your PAN. In such cases, there is no requirement to submit the form separately to the Company or Registrar and Transfer Agent.

<table>
<tr><th>Category of Shareholders</th><th>Applicable Rate</th><th>Applicability and documents required</th></tr>
<tr><td></td><td></td><td>The details for submission of Form 121 - Part A through CDSL and NSDL are as under:
<table><tr><th>Particulars</th><th>CDSL</th><th>NSDL</th></tr><tr><td>Submission platform</td><td>CDSL Electronic submission platform</td><td>SPEED-e Mobile App or IDeAS</td></tr><tr><td>Web link to access</td><td>https://www.cdsl india.com/ Form 121</td><td>1. Visit the NSDL portal and register for NSDL e-Services (IDeAS), if not already registered.
https://eservices.nsdl.com/HomeLogin.
2. Upon successful registration, log in as a SPEED-e Users.
3. From the left-hand menu, select "Form 121-Part A submission", enter the required details, and submit the form.</td></tr></table></td></tr>
<tr><td>Resident Individuals not having PAN/ discrepancy in PAN</td><td>20%</td><td>In case, shareholders do not have PAN/ invalid PAN/PAN is not linked with Aadhar/not registered their valid PAN details in their account, TDS at a higher rate of 20% shall be applicable as per section 397(2) of the IT Act.</td></tr>
<tr><td>Resident Non-Individuals</td><td>Nil</td><td>(a) Insurance Companies: Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary (equity) shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/LIC/GIC
(b) Mutual Funds: Self-declaration that it is registered with SEBI and is qualifying for exemption under Schedule VII [Table: Sl. No. 20 or 21] to section 11 of the IT Act, along with self-attested copy of PAN card and certificate of registration with SEBI.
(c) Alternative Investment Fund (AIF): Self-declaration that its income is exempt under Schedule V [Table: Sl. No. 1] to section 11 of the IT Act, and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.
(d) New Pension System (NPS) Trust: Self-declaration that it qualifies as NPS trust and income is eligible for exemption under Schedule VII [Table: S. No. 40] to section 11 of the IT Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.
(e) Other non-individual shareholders: Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.
(f) In case shareholders provide certificate under section 395(1) of the IT Act for lower/NIL withholding of taxes, rate specified in the said certificate shall be considered on submission of self-attested copy of certificate to the Company.</td></tr>
</table>

II. For Non-resident Shareholders

Category of Shareholders	Applicable Rate	Applicability and documents required
Non residents	20%	**As per domestic tax law:** Taxes are required to be withheld in accordance with the provisions of section 393(2) [Table Sl. No 17] read with section 207(1) [Table Sl. No. 1] of the IT Act. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable. In case non-resident shareholders provide a certificate issued under section 395(1) of the IT Act for lower/NIL withholding of taxes, rate specified in the said certificate shall be considered. **As per Double Tax Avoidance Agreement (DTAA):** As per Section 159 of the Act, the non-resident shareholder has the option to be governed by the provisions of the DTAA between India and country of tax residence of the shareholder, if they are more beneficial to them. In order to avail the DTAA benefit, the non-resident shareholders are required to submit the following: i. Self-attested copy of Tax Residence Certificate (**'TRC'**) (for the Tax year April 1, 2026 to March 31, 2027) obtained from the tax authorities of the country of which the shareholder is a resident. ii. Shareholders who have PAN and propose to claim treaty benefit need to mandatorily file the Form 41 online at the link https://eportal.incometax.gov.in/ to avail the benefit of DTAA (for the Tax year April 1, 2026 to March 31, 2027). iii. Self-declaration by shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (for the Tax year April 1, 2026 to March 31, 2027). iv. In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate. v. Self-attested copy of the PAN card allotted by the Income tax authorities. vi. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement. Note: 1. It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions prescribed in DTAA. 2. Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.
Global Depository Receipt (GDR) Holders	10%	(a) Taxes shall be withheld at 10% (including surcharge and cess as applicable) in accordance with the provisions of section 393(2) [Table Sl. No 13] of the IT Act. In such case, a self-attested copy of the PAN card is required. (b) In case no PAN details are made available, tax will be deducted at 20% plus applicable surcharge and cess.

The following provisions under the IT Act shall also be considered to determine the applicable TDS rate:

A. Declaration under Rule 203

In terms of Rule 203 of the Income Tax Rules 2026, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed in the Rules.

B. For shareholders having multiple accounts under different status / category:

Shareholders holding Ordinary (equity) Shares of the Company under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

PAYMENT OF DIVIDEND

The dividend for FY 2025-26 on Ordinary (equity) Shares of the Company, once approved by the shareholders of the Company at the AGM, will be paid after deducting the tax at source as mentioned in the earlier paragraphs. The payment will be made in electronic mode only.

SUBMISSION OF TAX RELATED DOCUMENTS:

The documents can be uploaded on the link https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html on or before Record Date to enable the Company to determine the appropriate withholding tax rate applicable. **Any communication on the tax determination/deduction received post Record Date shall not be considered.**

Shareholders can send the other documents to MIIPL at e-mail id: investor.helpdesk@in.mpms.mufg.com

Documents sent to any other email ids may lead to non-submission of documents and attract TDS as per the provisions of the IT Act.

Shareholders are requested to upload/send all documents related to one shareholder as single document, at one go, in order to avoid confusion that might be caused because of multiple uploads of multiple documents. Shareholders are requested to ensure that the documents which will be uploaded are complete, accurate and legible.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you or for any other reason, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

The tax credit can also be viewed in Form by logging in with your credentials (with valid PAN) at TRACES https://www.tdscpc.gov.in/app/login.xhtml or the e-filing website of the Income Tax department of India https://www.incometaxindiaefiling.gov.in/home

Disclaimer: (a) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the member, the member will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in such tax proceedings. (b) This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.

We seek your co-operation in this regard.

Thanking you.
Yours faithfully,

By Order of the Board of Directors of
Fermenta Biotech Limited

Varadvinayak V. Khambete
Company Secretary and Head - Legal
Membership No: A33861
Date: May 26, 2026
Place: Thane

On the Global Stage

fermenta

Innovation Chemistry for Global Nutrition & Wellness

Nutrition

Green Chemistry

API & Intermediates

Environmental Solutions

Fermenta Biotech Limited

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