



Transcript of the 74th Annual General Meeting of Fermenta Biotech Limited

The 74th Annual General Meeting (“AGM”) of the Members of Fermenta Biotech Limited (‘the Company’) held on Tuesday, August 11, 2026, at 03:00 P.M. (IST) through Video conference/Other Audio Visual Means (VC/OAVM)

Participants: Directors and Key Managerial Personnel of the Company, Auditors and 64 shareholders.

Management Present:

Sr. No.	Name	Designation
1	Mr. Pradeep M. Chandan	Chairman and Independent Director
2	Mr. Krishna Datla	Executive Vice-Chairman
3	Mr. Prashant Nagre	Managing Director
4	Mr. Satish Varma	Executive Director
5	Ms. Rajeshwari Datla	Non-Executive Director
6	Mr. Pramod Kasat	Independent Director
7	Ms. Rajashri Ojha	Independent Director
8	Mr. Ramanand Mundkur	Independent Director
9	Mr. Sumesh Gandhi	Chief Financial Officer
10	Mr. Varadvinayak Khambete	Company Secretary and Head-Legal
11	Ms. Poonam Tadarwal	Representative of S.R.B.C. and Co., Statutory Auditors
12	Ms. V. N. Deodhar	Secretarial Auditor and Scrutinizer

Mr. Varadvinayak Khambete (Company Secretary and Head-Legal)

Good afternoon, shareholders, Directors, Ladies and Gentlemen. The time is 3:00 p.m. now. I welcome you all to the 74th Annual General Meeting of Fermenta Biotech Limited. In accordance with the provisions of the Company's Act 2013, SEBI Listing Regulations and various circulars issued by the Ministry of Corporate affairs and the SEBI, this meeting is being convened electronically through video conferencing or other audio-visual means. I welcome Mr. Pradeep Chandan, our chairman and request him to preside over this annual general meeting. Over to you, sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah. Thank you, Varad. Good afternoon and *namaste* to our shareholders and my colleagues on the board. I'm Pradeep Chandan, Independent Director, the Chairman of the Board, Chairman of Stakeholders Relationship Committee and the Chairman for this meeting. I am attending this AGM from the Company's registered office at Thane. I have a great pleasure in welcoming you all to the 74th annual general meeting of your Company and thank you for joining us today.

The requisite quorum for this meeting is present and with your permission I shall commence the proceedings. I will now introduce my colleagues on the Board and Key Managerial Personnel who are attending this AGM through video conferencing facility.

Ms. Anupama Datla Desai, Executive Director has sought a leave of absence.

I would like to start with **Ms. Rajeshwari Datla, a Non-Executive Director**. She is the member of Nomination and Remuneration Committee and Corporate Social Responsibility Committee. She is attending this AGM from Company's registered office at Thane.

Our Next director is Mr. Krishna Datla, Executive Vice Chairman. He is the member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee. He is attending this AGM from the Company's registered office at Thane.

Our Next director is Ms. Rajashri Ojha, an Independent Director. She is the Chairperson of Risk Management Committee and member of Audit, Nomination and Remuneration and Corporate Social Responsibility Committees. She is attending this AGM from the company's registered office at Thane.

Our Next director is Mr. Pramod Kasat, an Independent Director and the Chairman of the Audit and Nomination and Remuneration committees and a member of Stakeholder Relationship Committee. He is attending this AGM from his residence at Thane.

Let me welcome Mr. Ramanand Mundkur, an Independent Director. He is the Chairman of Corporate Social Responsibility Committee and member of Audit Committee. He is attending this AGM from the Company's registered office at Thane.

Now I would like to introduce Mr. Prashant Nagre, our Managing Director. He is a member of Audit Committee and Risk Management Committee. He is attending this AGM from Companies registered office at Thane.

Let me welcome Mr. Satish Varma, an Executive Director. He is the member of Stakeholder Relationship Committee and Risk Management Committee. He is also attending this AGM from the Company's registered office at Thane.

Now let me introduce the key managerial persons of the company to start with Mr. Sumesh Gandhi, CFO of the company. He is attending this AGM from the company's registered office at Thane.

Mr. Varadvinayak Khambete, Company Secretary and Head Legal. He is also attending this AGM from the company's registered office at Thane.

I also welcome Ms. Poonam Tadarwal, the representative of SRBC & Co statutory auditors and Mr. V. N. Deodhar, Practicing Company Secretary, who is our Secretarial Auditor and the Scrutinizer for this meeting as well.

The Annual Report 2026, including the notice of the AGM, has been mailed electronically to the shareholders of the Company. The same has been uploaded on the websites of the Company, BSE and Registrar and Transfer Agents. With your permission, I take the notice convening the 74th Annual General Meeting of the Company as read. The Register of Directors, Key Managerial Personnel and their shareholding, The Register of Contracts and other relevant documents referred to in the AGM notice are available electronically for inspection by the shareholders during the AGM. The link is provided in the InstaMeet portal.

The Auditor's report issued by the SRBC & Company does not contain any qualification or observations on the financial statements of the Company for the financial year ended 31st March 2026. Hence, with your permission I take the Auditor's report as read. Let me now apprise you about the performance of the Company.

Dear Valued Shareholders, it gives me great pleasure to address you on the occasion of the 74th Annual General Meeting of your Company. Our Company has just completed 75 years and this marks the 76th year since its incorporation.

It has also been one of the most important years in the Company's recent history. I'll speak about some of these important developments shortly. Before that, let me brief you through the financial performance. Earlier today, we released the unaudited financial results for the first quarter ended 30th June 2026. I am pleased to inform you that your Company has continued to deliver positive results. Standalone revenue for the first quarter is Rs. 116.73 crores, while the net profit is Rs. 14.99 crore.

Consolidated revenue for the first quarter are Rs.126.19 crore, while the net profit is Rs. 9.53 crores. Now, let me take you through the performance and achievements of the Company during the financial year 2025-26 and the developments till today.

While financial year 2024-25 was a year of recovery and transformation for your Company, financial year 2025-26 has carried forward that financial recovery and has set the direction for the coming years, with a clear focus on innovation and scale.

The Company's total Consolidated income was Rs. 548 crore in financial year 2025-26, an increase of almost 14% over financial year 2024-25. It gives me great pleasure to record some of the important developments and achievements of financial year 2025-26 till date.

Plant source Vitamin D3

First, in September 2025, the Indian Patent Office granted a process patent for Fermenta's plant-source Vitamin D3 for your Company, which is one of the world's three largest manufacturers of pharmaceutical-grade Vitamin D3, this represents a foundational asset.

Until now Vitamin D3 has primarily made from animal sources. For a large part of the population, there was no vegetarian choice for vitamin D3. With our plant source vitamin D3, that gap has now been addressed. Fermenta's plant-source vitamin D3 is sustainable, scalable and affordable and represents an important step forward in meeting the evolving needs of consumers.

Our Managing Director, Mr. Prashant Nagre, and his team have made this remarkable achievement possible, and I would like to congratulate everyone who has contributed to this important milestone. The significance of this achievement became multi-fold when we received approval from the Food Safety and Standards Authority of India

(FSSAI) in July 2026, for our plant-source Vitamin D3, namely Vitamin D3 (Cholecalciferol) – Plant Source product.

With this approval, our plant-source Vitamin D3, VITADEE GREEN is now available for use in health supplements, nutraceuticals and food products.

Operational Excellence and Regulatory Approvals.

Operationally, our facilities continue to maintain the highest level of compliance. As you are already aware, in the last year your Company's Dahej facility successfully underwent US-FDA and EU-GMP inspections with zero observations.

In July 2025, your Company also received the Certificate of Suitability, or CEP, from the European Directorate for the Quality of Medicines & Healthcare for its spray-dried variant, VITADEE 100 SD – Cholecalciferol Concentrate (Powder Form) 100,000 IU/g, manufactured at our Kullu facility.

Fermenta became one of only two companies globally to hold a CEP for this variant of Vitamin D3. The approval further underscores Fermenta's adherence to stringent European Pharmacopeial standards for manufacturing and product quality.

Capital Expenditure and capacity building

The second important development relates to capital expenditure. In December 2025, your board approved a capital expenditure of Rs. 110 crore of which approximately Rs. 60 crores capex is dedicated to capacity building for plant-source Vitamin D3 and Calcifediol. The balance capex is dedicated to two green-chemistry enzymes - CAL-B Lipase and Penicillin G Acylase.

Speaking of enzymes, penicillin manufacturing has restarted in India for the first time in twenty years under India's Production Linked Incentive scheme. CAL-B Lipase serves oleo-chemistry, biodiesel, chiral chemistry and several other categories that need to decarbonise. Our Penicillin G Acylase enzyme, is targeted at future semi-synthetic penicillin manufacturing in India, including amoxicillin.

Environmental Division

Another development was the slump sale of the Company's Environmental Division to a focused subsidiary. Your company had an Environment Division engaged in the business of water treatment, sewage treatment and biotechnology-led remediation. This business had a different customer set and a different sales cycle and it deserved a dedicated team and focused attention. With this objective, your company transferred its environment business to a focused subsidiary Fermenta's Environment Solutions Private Limited effective 1 October 2025 by way of the sum sale of the company's environment Division

NSE listing

And now, the latest development is the NSE listing. I am happy to announce that on 4th August 2026, equity shares of your company got listed and admitted to dealings on the National Stock Exchange of India Limited under the symbol FERMENTA. The shares continue to trade on the BSE as well. Listing of Fermenta Shares in NSE in addition to BSE, apart from facilitating broader investor participation in the Company, shareholding will also strengthen your Company's position in capital market. We remain committed to maintaining our strong adherence to compliance and corporate governance.

Awards and Recognitions

Let me also briefly highlight some of the other important achievements. During Financial Year 2025–26, your company received:

- The CII Food Safety Awards 2025 for its premix facility at Kullu,
- The India's Best Workplaces in Pharmaceuticals, Healthcare and Biotech 2025 award; and

- The India's Great Mid-Sized Workplaces 2026 award where the company was ranked 7th nationwide.

Dividend

The Board has recommended a dividend at the rate of 75% which is equivalent to Rupees 3 Rupees 75 paise per equity share of Rupees 5 each for the financial year ended 31st March 2026. The dividend is proposed for the approval of the shareholders in this meeting.

Our people

Your Company crossed in financial year 2025-26 with more than 600 employees. Employee engagement has remained strong and retention at the senior level has been one of the Company's quite competitive advantages.

A large share of our top management has been with Fermenta for thirteen years or more, including through the down-cycle. This continuity, experience and institutional knowledge provide a strong foundation as we move into the next phase of our journey.

Our legacy

As we reflect on our journey of 75 years and look towards the future, we must remember and honor the visionary who set it all in motion — our Founder, Dr. D. V. K. Raju — a scientist, entrepreneur and humanitarian. Dr. Raju laid the foundation for Fermenta not only as an enterprise, but as a driven institution committed to public good. His steadfast belief that science must serve society continues to be the moral and ethical compass that guides every aspect of our business. The legacy he built with compassion, courage and conviction is one that we remain deeply proud to carry forward.

Looking ahead

As we chart our next phase, I am filled with optimism. With strong financials, clear strategic direction, respected partnerships, a growing global footprint and a legacy of responsible leadership, Fermenta is well positioned to lead and build a healthier and more nourished tomorrow.

To conclude, on behalf of the Board of directors I would like to express my heartfelt gratitude to all of you, our shareholders for your continued support and trust in Fermenta, our employees for their dedication and our institutional partners for amplifying our impact.

I would also like to thank our shareholders, suppliers, customers, bankers, communities around the world who rely on our products for better nutrition and health. Thank you for your patience and continued support.

I now hand over the proceedings to our Managing Director, Mr. Prashant Nagre. Thank you all.

Mr. Prashant Nagre (Managing Director)

Thank you, Mr. Chandan. Good afternoon, everyone. And a very warm, warm welcome to this presentation at Fermenter's 74th Annual General Meeting. I'm Prashant Nagre, Managing Director. As last year, our Chief Financial Officer, Mr. Sumesh Gandhi will join me. I'll take you through this year, the business, the strategy and Sumesh then will walk you through the financials in detail. A year ago, I described 2024-25 to you as a year of resilience, recovery and growth. I am glad to report that 2025-26 has built on that foundation. I am glad to report to you.

It was the year of operating moment of renewed strategic conviction capital commitment. Whereas financial year 2025 was about returning to the right level. Financial year 2026 was the first full year of growing from it.

Three words sum up the year and you will find them on the cover of this annual report. Innovation, Scale and Focus.

First innovation in September 2025, the Indian patent Office granted Fermenta's process patent for plant source vitamin D3, the product we marked as VITADEE Green.

We also secured the EDQM certificate of suitability for our spray dried vitamin D3 is D100 which opens the European pharmaceutical market. In December 2025 your board approved a capital expenditure program of 110 crores at Dahej for the next cycle of growth and recently on the 6th of July VITADEE Green received FSSAI approval for use as an ingredient in health supplement, nutraceuticals and food product.

Second scale consolidated total income rose to record Rs. 548 crore in financial year 2026 up 14% from Rs. 481 crore in financial year 2025. Excluding the value unlocking from the real estate which is now in its terminal phase, growth was 26%. Core EBITDA again excluding real estate rose 44% year on year to Rs. 120 crores. Profit after tax was 70 crores. The comparison with financial 2025, Rs. 76 crore reflects a high base that carried 45 crores of 1 of real estate income and Sumesh will unpack that for you very shortly.

And the third was focus. Your Company has now posted 10 straight quarters of positive results and financial year 2026 was the year in which recovery thesis clearly gave way to growth across all three operating businesses. Innovation thus scale and focus run through Fermenta's financials operations strategy and this is our story of today's presentation.

The journey of last six years explains where we stand. In 2020, we backward integrated ourself into cholesterol the key starting material into vitamin D3, acquired a 52% stake in AGD Nutrition USA, since renamed Fermenta USA LLC and launched spray dried vitamin D3 feed grade 500 through Fermenta Biotech GMBH. Revenue then stood at Rs. 305 crore which grew to Rs. 407 crores in 2022. Post Covid 2023 and 2024 the business underwent a difficult phase due to the destocking of inventory pile ups especially on products which were important during COVID phase.

However, during this period your Company while focusing on recovery in the core business also undertook an exercise of value unlocking of its non-core real estate assets. And it was also the year we commissioned the Premix plant at Kullu commercialized Vitamin K1 using proprietary technology, successfully transferred the plant source D3 technology from R & D to manufacturing and secured EU GMP and US FDA certifications for Dahej facility.

In 2025, revenue recorded to 481 crore. We completed validation batches of plant source D3 in oil and spray dried powder for VITADEE Green. We received approval from GAIN and WFP for our FRK and premix reinforcing our global commitment to quality nutrition and then in 2026 revenues reached 548 crore rupees.

The process patent for plant source vitamin D3, the EDQM CEP for vitamin D3 100SD, the FSSAI approval for VITADEE Green, the Board's approval for 110 crore rupees of capex for plant source vitamin D3, calcifediol and biocatalysis enzyme. The scaling of our green chemistry business with Penicillin G Acylase contributing to India's PLI led Penicillin revival and the carve out of Environment division into a dedicated subsidiary Fermenta Environment Solutions Private Limited effective 1st October 2025.

Now the opportunity in front of us in India 'Preventive health awareness' stayed with us since the pandemic. The middle class continues to grow. Government initiatives and the PLI schemes are direct tailwinds. Food fortification is national program and the demand for functional foods, animal nutrition and pharmaceutical localization keeps arising globally the themes rhyme, prevention over cure, aging, population driving vitamin D3 demand, fortified food markets, clean label growth and pet nutrition. Around this sit the innovation drivers. We have invested in plants, source actives, premix plants, FRK, biocatalysis and green chemistry. Regulation far from being a burden is our opportunity. Standards keep tightening worldwide. Science validated efficacy is becoming the entry ticket and Fermenta is built for exactly that kind of market.

Strategic map - Our strategy map ties these opportunities into execution. Our mission is to harness our expertise in innovation, chemistry and complex manufacturing at scale delivering science validated solutions across nutrition, health, green chemistry while creating lasting value for customers, society and investors. Financially that means consistency, industry leading returns, discipline, investment and a strong deleverage balance sheet. In sales a

customer centric approach across pharma, nutrition, food and beverage, veterinary and custom premixes. In expansion, extending our global leadership in Vitamin D3 including differentiated plant source D3, deepening our footprint of more than 60 countries and opening the European Union through the EDQM CEP. In internal processes, operational excellence across Dahej, Kullu, Tirupati and continuous product development through R & D and in organizational learning Building capacity at frontier of innovation chemistry because people remain the most important asset of this company.

Manufacturing and R&D - Our manufacturing and R & D footprint span five locations: Kullu in Himachal Pradesh produces enzymes active substances including D3 and houses our customized Premix plant with multiple global regulatory certifications, Dahej in Gujarat is our dedicated D3 site with complete backward integration for cholesterol, Thane is our corporate headquarters and R & D excellence center with a pilot plant for process development, Tirupati in Andhra Pradesh produces fortified rice kernels certified by the World Food Program and in Germany we work with a toll manufacturer for Vitamin D3 feed grade powder.

Behind all of this, stand more than 100 scientists, engineers, over 75 years of expertise and more than 50 key certifications and over 400 global customers.

Strategic Partnership and Partnership Ecosystem - Our partnership extend across the entire nutrition and fortification value chain. Abbot remains a leading partner with Vitamin D3 awareness campaign and educational materials that extend our reach to healthcare professionals and patients.

With premier food technology institutions under the Ministry of Food Processing Industries, we are working on fortification of biscuits and juices with VITADEE Green and on fortified rice kernel which adds government back credibility to our fortification initiatives. Informa gives us global market visibility, HADSA strengthens our position in India's regulatory and industry landscape for nutraceutical and with GAIN we are supporting the DFQT+ plus digital traceability solutions to improve quality assurance in fortification programs worldwide.

Certifications - I will not read through every certification on this slide but the message is simple. Both our plants are US FDA approved, Dahej is approved by EDQM and our sites carry the full set of approvals needed to sell into human nutrition and pharma pharmaceutical space along with kosher, halal, vegetarian and vegan certifications, feed safety standards and the WFP and GAIN approvals for United Nations Rice Fortification Programs and global Premix tenders.

R & D Focus Areas and Achievements - R & D is what brought us here and what takes us forward. In active substances we have commercialized 11 products including cholesterol and lanolin derivatives and enhanced the Phenylamidol HCl process. In biotechnology we tripled enzyme activity on PA 850 and 250, developed in house TL lipase and created the Penmox enzyme for one pot synthesis of amoxicillin. In pre formulation we have commercialized 10 vitamin products, developed premixes across rice, flour, oil and milk fortification and hold granted patents for VITADEE Green as well as Calcifediol. The future directions are clear, Calcifediol commercialization, VITADEE Green and the new Lipase portfolio and the Premix development for RUSF and RUTF formats.

Strategic Portfolio and Future Growth - 4 products define the portfolio that fixes takes us up the value chain spray dried Vitamin D3 SD 100,000 IU per gram pharmaceutical grade technology now with CEP certification for European market offering superior stability for pharmaceutical formulations. VITADEE Green plant source D3 with a clean label phytosterol derived meeting multi compendial standards with higher purity and stability than light chain derived alternatives from the pioneers of Vitamin D3 and on the 6th of July last month VITADEE Green received approval from Food Safety and Standards Authority of India for use as an ingredient in health supplement, nutraceuticals and food products.

Indian food and supplement manufacturers can now use a patented domestically manufactured plant source D3 in fortified staple foods, beverages, dietary supplements and nutraceuticals for India's vegetarian consumers. This brings the superior D3 form in a fully planned source format where formulators have often had to settle for D2 developed and manufactured in India. VITADEE Green also supports the make in India vision and our commercial preparation is complete.

Calcifediol is the next generation Vitamin D metabolite for nutrition and therapeutics approaching final validations as clinical demand opens. With its scale up capacity committed within the 110 crores, the Dahej Capex and customized premixes or pilot scale laboratory lets us co develop solutions with clients for dietary supplements, functional foods and beverages in both dry and liquid formats.

Diversified markets, balanced customers - Diversification is a deliberate design choice. In financial year 2026 excluding value unlocking, India contributed 39% of revenue, Europe 30%, North America 13% and other regions 18%. Europe is now a strong second market alongside India. So no single geography dominates. Our large customer largest customer accounts for 9% of revenue, the top 5 for 28% and the top 10 for 42%.

The mid-market tier of customers billing between Rs. 1 crore and Rs. 5 crores widened from 56 accounts in financial year 2025 to 68 in financial year 2026. 14 customers sit in Rs. 5 crores to Rs. 15 crore band and 7 above Rs. 15 crore. Strategic large account anchor premium revenues without over dependence on any few names.

Fermenta's core proposition - Let me close my section with where Fermenta stands. For society: Advancing global health and preventive care through science, validated ingredients and addressing environmental challenges through green chemistry. For customers: Best in class ingredients, actives and intermediates across pharmaceuticals, nutrition, food and beverages, veterinary and customized premixes with research based custom solutions. For Investors: Leadership in Vitamin D3 protected by process patents and regulatory approvals; an innovation chemistry mode in biocatalysis; strong and improving returns; a deleverage and liquid balance sheet funding; a visible growth pipeline and deep sticky relationship with leading global brands. Our core vision: Better living for all through innovation chemistry for a healthier and more sustainable world. With that I request Sumesh to take you through the financials.

Mr. Sumesh Gandhi (Chief Financial Officer)

Thank you. Prashant.

Thank you. Good afternoon, everyone. We see the six charts on your screen. This tells a five-year story and not a one-year story. The revenue has scaled to new heights. From Rs. 407 crores in FY-22 through the difficult years of Rs. 359 crores in FY-23 and Rs. 347 crores in FY-24 to Rs. 481 crores in FY-25. And now a record of Rs. 548 crores in FY-26. EBITDA held at Rs. 122 crores in FY-26 level with FY-25. But I want you to notice what that flat line conceals.

So, FY-25 EBITDA carried Rs. 45 crores of 1 of real estate income while FY-26 carried just Rs. 2 crores. So, the jump is substantial on EBITDA. Profit after tax stayed firmly positive at Rs. 70 crores in FY-26. Cash flow from operations more than doubled year on year to Rs. 93 crores. The total debt was held at Rs. 109 crores level which was in 2025, and which is down from Rs. 236 crores in FY-22. And the net fixed assets stood at Rs. 206 crores which is now ready for the next phase of expansion.

Now let me turn towards the composition of the revenue.

The Nutrition business contributed Rs. 435 crores in FY-26. Which is up from Rs. 350 crores in FY-25. Within that Vitamin D3 Human Nutrition, our largest business grew 29% year on year to Rs. 293 crores. On the top of the 62% growth, which was already recorded in FY-25. Vitamin D3 Animal Nutrition grew 33% on a year-on-year basis to

Rs. 109 crores with our largest ever Indian food volumes and record annual volumes from our German subsidiary. The breakout story of FY-26 was green chemistry where revenue more than doubled year on year from Rs. 7 crores to 16 crores.

As Penicillin G Acylase scaled to supply India's PLI lead penciling revival which was coupled with acceptance from the international customers for our other enzymes, other APIs and intermediaries grew to Rs. 48 crores and environmental solution contributed approximately Rs. 19 crore. Taken together, the business beyond nutrition reached Rs. 83 crores, which is a 15% of the revenue against 11% in FY-23 and from the real estate value unlocking Rs. 2 crores in FY-26 against Rs. 45 crores in FY-25. So, the mix you see now reflects more of a core operating business.

These are the financial numbers which are just replicated from the balance sheet. Going on the income statement first, the revenue from operations grew 12% year on year to Rs. 525 crores and the total income grew 14% to Rs. 548 crores. Finance costs fell 19% on continued deleveraging. Profits before exceptional items and taxes rose 7% to Rs. 89 crores, holding the consolidated margin at 22.3%. Even as the 1 of real estate base normalized. It is important to note that there were two exceptional items which are present in FY-26.

A Rs. 9 crore write back of earlier doubtful debt provisions and a Rs. 2 crore one off employee benefit charge on adoption of a new labor code. Profit before tax was Rs. 96 crores. The tax expense for Rs. 26 crores again an unusually low Rs. 7 crore in FY-25 and profit after tax was Rs. 70 crores 8% below FY-25. Let me be precise about the decline. It stems entirely from the high FY-25 base carrying Rs. 45 crore of 1 real estate income. The core business earned more and not less. The balance sheet, is strengthened further through the cross debt which was held at Rs. 109 crores, while the net debt is roughly halved on a stronger cash position with cash and cash equivalents up 28% to Rs. 92 crores. From a cash flow perspective, operating cash flow more than doubled, year on year from Rs. 41 crores to Rs. 93 crores as working capital absorption fell sharply and profit to cash conversion improved. The CAPEX stepped up to Rs. 30 crores and yet the net cash flow if you see has tripled from Rs. 19 crores to Rs. 62 crores. One thing I missed out was on inventories though, you see there is a rise in inventory.

It's a deliberate buildup keeping in mind the niche nature of our business and coupled with the geopolitical uncertainties which we have currently. I'll quickly take you through the ratios. The EBITDA margin was 23.3% in FY-26. That is lower than FY-25, which was at 25.9%. However, let's again remember that FY-25 had got one off real estate income which is not there in FY-26. The liquidity has strengthened with a current ratio at 1.86 and a quick ratio at 0.99 Leverage is eased further with the debt to equity at 0.27 and debt to assets at 0.17 and interest cover which has expanded from 6.9 times in FY-25 to 8.7 times in FY-26. This gives us the flexibility to fund our future capex program. FY-26 in short is built on the FY-25 recovery with a leaner balance sheet and a stronger cover. Back to you, Prashant for the key takeaways.

Mr. Prashant Nagre (Managing Director)

Thank you, Sumesh. As we conclude five messages I would like to carry home:

1. Leadership position - Fermenta is among the world's top 3 D3 manufacturers, serving more than 400 customers across more than 60 countries.
2. Innovation and manufacturing excellence- Over 75 years of expertise, more than 100 scientists and over 600 employees backed by state-of-the-art certified facilities and now a granted process patent for plant source D3.
3. A strong financial trajectory consistent revenue growth from Rs. 22 crore in financial year 2003 to a record Rs. 548 crore in financial year 2026 with core EBITDA up by 44% year on year and free cash flow tripled to Rs. 62 crores.
4. A risk-aware growth strategy - Each principal risk whether CAPEX execution, export concentration, product concentration or new technology commercialization, is matched to a funded mitigant; self-funded by 60 crores of free cash flow and deleverage balance sheet. And last.

5. Strategic market opportunity - We are positioned to capture preventive health, fortified foods and clean label markets with an FSSAI approved patented plant source Vitamin D3 and Rs. 110 crore of new Dahej Capacity commitment capacity commitment for plant source D3 Calcifediol and enzymes. Better living for all through innovation chemistry for a healthier and more sustained world.

Thank you for your attention and for your patience through the rebuilding years and for your continued confidence in Fermenta in financial year 2026. Your Company completed 75 years since its incorporation, and it enters its next quarter century with a patent, a funded capacity program and 10 straight quarters of delivery behind it. Thank you so much.

Mr. Pradeep Chandan (Chairman and Independent Director)

Moving on, allow me to brief you about the voting and agenda items of this meeting. As per the provisions of Companies Act, 2013 and the rules made thereunder, the Company is required to provide e-voting facility to its shareholders which was provided from Saturday, August 8, 2026, from 9.00 am to Monday, August 10, 2026, till 5.00 pm through MUFG Intime India Private Limited to exercise votes on the items of business stated in the AGM Notice. Members who are participating in the AGM through video conferencing and who have not yet voted through remote e-voting, or ballot forms earlier can vote on the resolutions on the commencement of e-voting during the AGM. Mr. V. N. Deodhar, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the entire voting process for this AGM. Now, I request our Company Secretary and Legal - Head to read out the items of business proposed for Members' approval at today's Annual General Meeting.

Mr. Varadvinayak Khambete (Company Secretary and Head-Legal)

Thank you, Chairman sir. The ordinary business items are as follows.

Item number 1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2026 reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the company for the financial year ended March 31, 2026, and the report of the auditors thereon.

Item number 2. To declare dividend of rupees 3 paise 75 per equity share of Rs.5 each, i.e. 75% for the financial year ended March 31, 2026.

Item number 3. To appoint a Director in place of Ms. Rajeshwari Datla, who retires by rotation and being eligible, offers herself for reappointment.

The special business Items are as follows.

Item number 4. To approve the continuation of Ms. Rajeshwari Datla as a Non-Executive Director on the board.

Item number 5. To ratify the remuneration of Cost Auditors of the Company.

Item number 6. To approve material Related Party Transactions. and

Item number 7. To approve commission to Non-Executive Directors.

Over to you, Mr. Chandan.

Mr. Pradeep Chandan (Chairman and Independent Director)

I now invite shareholders who have registered themselves as speakers for this AGM to express their views or comments. Speaker shareholders are requested to ask their questions or queries when called for by their names. As we have a lot of speaker shareholders, shareholders are requested to keep their questions in brief in order to provide equal opportunity to other speakers as well. After all the speaker shareholders have spoken, Management will reply to the questions raised by speaker shareholders. Now I request the moderator to allow speakers to put forth their views or questions or queries.

The first speaker is Mr. Dnyaneshwar Bhagwat.

Mr. Dnyaneshwar Bhagwat (Speaker Shareholder)

Am I audible, sir? Can you hear me? Perfectly, sir? First of all, as outside I'm thankful to our company MD Mr. Pradeep Chandan and Secretary Mr. Varadvinayak Khambete for allowing me to speak. I'm thankful to them. So, I

now go ahead. First, I'm thankful to our company secretary for sending me the soft copy of the AGM as well as a hard copy of the AGM well in advance, which is full of information that is easy to understand. So, thank you sir and entire secretary team.

Secondly again I'm thankful to him the copies drafted such a beautiful excellent informative annual report with colorful pictures of the Company and the products. So again, I thank sir for doing excellent work and taking efforts to the different efforts to draft such a beautiful. And it is this all out comes under corporate government Now Sir I support all the agenda items. Sir.

The opening remark our sir, you and our MD and other Chief Financial Officer has given all the details of the Company progress and all that. And I congratulate the Company has done lot of things last year and this year. And also, I congratulate the Company for listing our company shares on the NSE board. So, and again, I mean these are all very good things the Company has done. And also, the Company got a patent for one of our products which is made by these trees. I mean plantations. So that is a good thing the Company is doing. And I also think the Company is doing very well. Now I have only already sent my query. So, it's a request from me to you. Please reply to those queries. Rest for coming festivals I wish you good luck & bright future and again thankful to Board and the Secretarial department for allowing me to speak. This is D K Bhagwat from Mumbai. Thank you very much Sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you. Mr. Bhagwat. Yeah. The next speaker is Mrs. Mascarenhas. Hello.

Mrs. Celestine Mascarenhas (Speaker Shareholder)

Hello.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah.

Mrs. Celestine Mascarenhas (Speaker Shareholder)

Hello. Am I audible?

Mr. Pradeep Chandan (Chairman)

Yes madam. Very clear.

Mrs. Celestine Mascarenhas (Speaker Shareholder)

Yeah. Thank you. Thank you, Sir. Respected Chairman Mr. Pradeep M. Chandan, Executive Chairman Krishna Datla, MD Mr. Prashant Nagre, ED Anupama Datla, other very very honorable directors on the Board. My dear fellow shareholders in this VC I am Mrs. C.E. Mascarenhas speaking from Mumbai.

First of all, I have to thank big thanks to our Company Secretary Mr. Varadvinayak Khambete and his team for sending me an annual report and also registering me as a speaker at my request and giving me this good platform which was very easy to enter.

Thank you so much. Thanks to the entire secretarial team also for bringing out such good annual report. Very much informative. Thank you very much. Our annual report is full of information, facts and figures. self-explanatory, adhering to all the norms of corporate governance. Our working is good. PBT PAT good. Good dividend of Rs.3.75. Next, I go to congratulating for all the awards and accolades. Also, for getting our shares listed on the NSE. It is a great achievement. Also, very good CSR work. ESG and climatic changes are well documented in the Annual Report.

Now I come to my queries. Vitamin D3. We are the world one of the world top three manufacturing Vitamin D3, 400 plus customers in 60 plus countries. When we will become the first one in the world? How much is API

Intermediates business we do and how much do we export? We have D3 for animals. How much revenue we are getting and the margins on the same?

How much of land bank we have for demonetizing? We have 100 plus scientists, scientists and engineers. I would like to know the male female ratio, average age and the attrition level. We have four plants. What is the average capacity utilization? How much of Capex will be required for the next five years for organic as well as inorganic growth? Future roadmap for the next five years? I support all the resolutions. I wish my Company all the best and especially I wish you all very good health as health is wealth. With this I hand over to Mr. Aloysius Mascarenhas. Sir, I'm the next speaker in the queue. Can I proceed?

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah, please go ahead.

Mr. Aloysius Mascarenhas (Speaker Shareholder)

Respected Chairman sir, very distinguished members of the Board and my fellow shareholders. Good evening to you all. My name is Aloysius Mascarenhas. At the outset I thank the management, Company Secretary and the team for sending me such a beautiful, voluminous, informative, transparent annual report full of facts and figures and adhering to all the parameters required for a good corporate governance.

Our results are excellent as shown by facts and figures with a handsome dividend of rupees 3.75 equivalent to 75% versus 50% declared last year. We are in the right hands and on the right path. We are one of the world's largest manufacturers of vitamin D3 which is very good vitamin for our bodies, humanity, and also these vitamins are used for animals. Very good sir. I would like also I am happy to note that we are having four plants in India in Dahej in Gujarat, Thane in Maharashtra, Thirupathi in Andhra Pradesh and Kullu in Himachal Pradesh.

I would like to know which of this plant is doing very well. Our growth has also increased from 2003 to 2026 from 22 crores to 548 crores. Very good sir. We have got good R&D capacity, good CSR and good risk management. Very good sir. Our PBT and PAT has also increased tremendously from 96 crores to 70 crores. Very good sir.

Now my question that we are having scientists are not working abroad especially in Germany and USA so we must be getting income by way of dollars because dollar income is worth going because dollar rises year after year against the falling rupee, so what is our revenue in terms of dollar? Now last question is who is our peers and competitors and what is our market share?

Rest many things have been asked by my predecessor shareholders and many more will be asking you so I throw the platform open to them and I close my speech wishing you personally all the Board Members and more importantly all the employees all the very best in the days and years to come. With this sir, I thank you very much and for patient hearing and happy festive season ahead. Thank you. God bless you and our Company.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you Mr. Mascarenhas our next speaker is Mrs. Lekha Satish Shah.

Mrs. Lekha Satish Shah (Speaker Shareholder)

Hello Am I audible sir?

Mr. Pradeep Chandan (Chairman and Independent Director)

Yes, very well.

Mrs. Lekha Satish Shah (Speaker Shareholder)

Thank you, sir. Respected Chairman sir, Board of directors and my fellow members. Good afternoon and regards to everyone. Myself Lekha Shah and I'm joining this meeting from Mumbai. At the outset, I would like sincerely to thank our Company Secretary Khambeteji for sending the AGM report well in advance. I found the AGM report and I'm delighted to say it's so beautiful, full of knowledge, informative, comprehensive and enriched with a valuable factor and tickets in place.

Once again thank you so much my Company Secretary Khambete sir. Thank you, Chairman sir, for insightful and well present addresses and also thank you Prashant Ji for such an informative and wonderful presentation.

I congratulate the Chairman sir, the Board of Directors and all the employees for the effect and dedication during the year. I appreciate the Company performance and wish the Management continue and success to growth.

Sir I would like thank all the person of Company for receiving awards and recognition by our plan during the year. And I am also happy the company is doing very well in the field of CSR activities. Sir I would like to ask you few questions. My first question is what is expected return on recent capital expenditure and expansion projects? And my second question is how does Management plan to improve EBITDA margin? Chairman Sir, I hope the Company will continue video conference meeting in future. So, I would like to say I strongly and wholeheartedly extend my support all the resolution placed before the meeting today. Thank you, sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you. Yeah. Our next speaker is Mrs. Vasudha Vikas Dakwe.

Mrs. Vasudha Vikas Dakwe (Speaker Shareholder)

Please unmute me. Yeah.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah.

Mrs. Vasudha Vikas Dakwe (Speaker Shareholder)

Good evening respected Chairman sir, Board of Director and my fellow shareholder myself Vasudha from Thane. The opening speech given by the Chairperson is very informative and excellent. I am also thankful to our Company Secretary and his team for helping me a lot to join this VC conference meeting smoothly. I would like to ask what is our next two to three years pipeline? What is our attrition rate? What is our capex and R&D plan? With this I support all the resolution and wish the company all the best for coming financial year and my best wishes for coming Ganapati, Dussehra and Diwali. Thank you, sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah, thanks for your good wishes. Our Next speaker is Mr. Vikas Dakwe.

Moderator

Speaker no. 7 Mr. Vikas Dakwe is currently not present in the panel.

Mr. Pradeep Chandan (Chairman and Independent Director)

Okay we'll move on. Our Next speaker is Mr. Santosh Kumar Saraf, Mr. Santosh Kumar are you there?

Mr. Santosh Kumar Saraf (Speaker Shareholder)

Yeah yeah.

Mr. Pradeep Chandan (Chairman and Independent Director)

Please go ahead.

Mr. Santosh Kumar Saraf (Speaker Shareholder)

माननीये सभापति जी, स्वातिजी उपस्थित निदेशक मंडल के से अधिकारी कर्मचारी गण, मैं संतोष कुमार Saraf Kolkata से आप सभी को रामराम कहता हूँ। आशा करता हूँ आप सब अच्छे स्वास्थ्य होंगे। सर सर मैं उन सभी कर्मचारी भाई बहनों का आभार करता हूँ जिनकी मेहनत का फल है कि आज हमारी कंपनी इतना अच्छा काम कर... । सर मैं आपका CFO का आभार करता हूँ अच्छी Balance sheet देने के लिए। उन्होंने balance sheet में सब कुछ लिखा है जो हमें चाहिए। सर पढ़ने के बाद तो कोई जवाब मेरको प्रश्न सूझता नहीं, फिर भी मैंने आपके लिए 1 प्रश्न मैंने रखा है। सर आशा करता है उसका जवाब जरूर दीजिएगा। चेयरमैन सर 2025-26 की सालाना रिपोर्ट देखने के बाद मैंने देखा है कि कंपनी ने जबरदस्त ग्रोथ हासिल की है, खासकर विटामिन D3 के मामले में। साथ ही कंपनी दहेज में प्लांट बेस, विटामिन, D3, विटामिन D3 डायरेटिव और ग्रीन कैमिस्ट्री एजामे के लिए 110 करोड़ रुपए की अतिरिक्त पूंजी जुटा रही है। हाल की रेवेन्यू बढ़कर लगभग 548 करोड़ का होने के बावजूद एप ट्वेंटी फीस के लिए कंसोलिडेटेड प्रॉफिट ऑफ्टटैक्स घट कर लगभग 70 करोड़ है। सरकार अभी काफी हद तक विटामिन D3 पर डिपेंड करता है। शेयरहोल्डर और कैपिटल अलोकेशनकी मंजिले से क्या आप बता सकते हैं कि नई कैपिसिटी के सामान्य इस्तेमाल तक पहुंचने पर बोर्ड इस 110 करोड़ रुपए निवेश से किस अतिरिक्त रेवन्यू EBITDA मार्जिन और फ्री कैश फ्लो जनरेशन आरओसी की उम्मीद करता है? सर साथ ही बोर्ड ने इस निवेश के लिए किस न्यूनतम आर ओ सी. हर. को मंजूरी दी है। सर यह पक्का करने के लिए क्या सुरक्षा उपाय किये के सर की विटामिन D3 की कंपनी की बढ़ती निर्भरता से प्रोजेक्ट कंस्ट्रक्शन का बहुत ज्यादा रिस्क पैदा न हो सर। और सर हमारी कंपनी की ESG रेटिंग क्या है इसके बारे में बताएगा और हम किस तरह अपना Artificial Intelligence का व्यवहार कर रहे हैं ज्यादा कुछ नहीं सर फाइनेंशियल 2026-27 की। फिर 1 बार आप सभी को शुभकामना देता हूँ वह ऐसी प्रार्थना करता हूँ फाइनेंशियल 2026-27 कंपनी के साथ साथ जितने भी डायरेक्टर भाई बहन हैं, जितने भी कर्मचारी भाई बहन है जितने भी हमारे भाई बहन उनकी उनकी फैमिली के लिए हेल्दी वेल्दी। मोडरेटर का व्यवहार काफी अच्छी सर्विस देने के लिए आशा करते हैं। सर आपके माध्यम से हमारे फाइनेंशियल डिपार्टमेंट को फिर एक बार धन्यवाद देता हूँ काफी अच्छी Balance sheet देने के लिए और आशा करता हु अगले साल का ध्यान रखें। थोड़ा 1 2 प्रश्न आपके लिए छोड़ेंगे हमको पूछने के लिए जय हिन्द जय भारत रामराम।

Mr. Pradeep Chandan (Chairman and Independent Director)

धन्यवाद, Mr. Saraf.

Next speaker is Mr. Vinod Agarwal.

Mr. Vinod Agarwal (Speaker Shareholder)

Hello. Can you hear me?

Mr. Pradeep Chandan (Chairman and Independent Director)

Yes, very well.

Mr. Vinod Agarwal (Speaker Shareholder)

How are you? Mr. Chandan this is Vinod Agarwal from Mumbai. Sir we used to meet earlier. How's your health and all? Sir I hope it's good. Certainly I'm good. Sir you asked for shareholders help. We are good sir. Never mind. The revenue last year have increased to 548 crores from 481 crores. 14-26% Increase in revenue and PAT margin was about 14%. Very very good. Sir we are good. Doing very good. And now I don't want to go a lot into the financials and all. Sir I'll be brief only sir we are investing 60 crores for the D3 plant at Dahej. What is the expected revenue that will come out and what will be the production capacity? We have got foreign customers at the moment. So how many more customers can we add through this D3 vitamin which is vitamin plant-based vitamin as its own characteristic like vegan. It is not animal based D3. And now another query I'd like to ask is. We have taken for the penicillin PLI schemes. How much money can we expect to come out of the PLI scheme from the government of India? These are my only two queries. I wish the Company all the best. And let the Company keep on doing very very good and better and better and better. Sir, I sign off Vinod Agarwal. from Mumbai. Thank you, sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you. Mr. Vinod Agarwal. Yeah. Our next speaker is Mr. Bimal Kumar Agarwal.

Mr. Bimal Kumar Agarwal (Speaker Shareholder)

Hello. Can you hear me sir? Good afternoon to you.

Yes, we can very well hear you. Morning. To other Director or other shareholders who have joined from different part of the world. First of all, I like to thank the Company Secretary, esteemed Management staff and the shareholders. Management has already given a beautiful picture about the Company. My question was also raised by other speakers. I just got one question. Just asking yours the if not this year from next year try to credit the dividend on the same day after the AGM. That is request from me.

Because you I won't be again up all the Promoter Director will be the gainer as Reliance is doing the same. That's all from me. Thank you very much.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you. Thank you, Mr. Agarwal. Yeah. Yeah. Our next speaker is Mr. Anil Mehta. Hello.

Mr. Anil Mehta (Speaker Shareholder)

Am I audible?

Mr. Pradeep Chandan (Chairman and Independent Director)

Yes. Yes. Very well sir.

Mr. Anil Mehta (Speaker Shareholder)

Thank you sir. Good afternoon. This is Anil Mehta attending 74th AGM of the Company from my residence Kandivali, Mumbai. From our side we have a few questions. The question number one. Looking to the global situation, how much the growth can we expect and how much it will be affecting to our revenue and a bottom line in a current FY 2026-27. Question 2. What is the AI effect on our business? Question 3. When we are in a digital world then why we are keeping the cash on hand of 30.89 lakhs? Question 4. What are what we are getting by keeping the current account of the bank approval 3138.57 lakh, sir. And the last question. Kindly provide the present status of the statutory dues outstanding since 1992. With this we are as a shareholder supporting all the resolution and thanks to the secretarial department lead by Mr. Varadvinayak Khambete for their cooperation and support and all the best for the bright future of our company. And also, thanks to our RTA MUFG Intime (Linkin time) for their good services. Thank you. And all the best for the bright future. Thank you, sir. Yeah.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you, Mr. Mehta. So next one is Mr. Rajendra Sheth. Mr. Rajendra Sheth.

Moderator

Rajendra Sheth is currently not present in the panel.

Mr. Pradeep Chandan (Chairman and Independent Director)

Okay, we'll move to the next speaker. Mr. Vinay Bhide, please. Mr. Vinay Bhide, are you there?

Mr. Vinay Bhide (Speaker Shareholder)

Hello? Are you able to hear me?

Mr. Pradeep Chandan (Chairman and Independent Director)

Yes, we can hear you.

Mr. Vinay Bhide (Speaker Shareholder)

Yeah. Good evening, sir. How are you?

Mr. Pradeep Chandan (Chairman and Independent Director)

I'm fine.

Mr. Vinay Bhide (Speaker Shareholder)

I'm fine. Okay, so let me start. Very pleasing to see you all. Chairman Mr. Pradeep Chandan, members of the Datla family on board, full-time independent directors, company executives, fellow shareholders, good evening. Thank you, you know, for, you know, the excellent, you know, performance in the year by. Thank you, you know, for the excellent, you know, documentation in the form of an annual report.

And so also, you know, thank you, you know, for the company executives who have to have presented, you know, the all the, you know, product and the financial information at the start of the meeting. We are all very pleased about the performance of the company in the year gone by and look forward to great times ahead.

Now before I get down to a few questions, you know, to understand, you know, the direction of our company's business let me mention that, you know, our dividend in the past four years has gone up from 1.25 per share to 2.5 per share this year, you know, we have declared 3.75 per share and let's hope, you know, next year when we beat in the 75th year we will have, you know, you know, you know, excellent news, you know, for shareholders in the coming year. Now two, two events of the of, you know, the company and company executives are worthy of mention. The first one is the company's award that we have got is for the Pride of Maharashtra for the Best Innovation award of the year in the manufacturing sector for Vitadee Green. and secondly, our Managing Director Prashant Nagre has been awarded best corporate leaders award in India in 2025. So, congratulations to the Company and Mr. Nagre. We shareholders should be extremely proud about, you know, these awards. Yes, two questions I have listed out, you know, for a better understanding or to see the direction.

Can you tell us, you know, what has been, you know, the price and the volume growth in vitamin D3 in 50, 25-26 that is concluded year over the prior years and what has been, you know, the contribution by percentage of volume and total sales if vitamin D3 in financial year 25-26. So, these were the two, you know, you know, let us say you know, performance related questions.

And I've been informed that you know our Company which has been listed on the National Stock Exchange recently has you know, completed you know, this listing, you know, approvals and all the formalities in record time and more. So, we have done it independently, you know, at a company level. We should also be, you know, proud of not only the listing but also, you know, having done it in-house. I'm sure you know this is a feather in the cap for a Company Secretary, Varadvinayak and his team members.

So I will close with you know, support for all the resolutions and wishing you sir, individually and all the Board Members and all at Fermenta Biotech the best in the years to come. Thank you so much, sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah, Thank you Mr. Bhide. So, Mr. Aspi Bhesania

Mr. Aspi Bhesania (Speaker Shareholder)

So can you see me and hear me?

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah, we can. Yeah. You may have to your video. Ah, we can see you very well now.

Mr. Aspi Bhesania (Speaker Shareholder)

Okay. Chairman sir, I am Aspi from Bombay so. But I'm missing the physical meeting. You should have held a physical meeting. I would request you to hold a physical meeting next year onwards that at least we can come to Thane once in a while. Otherwise, we don't get an opportunity to come to Thane. So, I thank our Company Secretary for giving me an opportunity to attend the meeting. For sending a link and also sending the speaker number. I would request you to please mention the speaker number that we know when our turn comes. That is, we have to be ever ready for the meeting.

So I congratulate the management on 74th year next year 75. So how do you propose to celebrate? I'm not asking for a split or a bonus or a higher dividend. I want market cap. But why are margins are going down your quarter on quarter. Because first quarter of last year the margins were higher than in the first quarter this year. So, thank you very much and all the best for the future. I can't even see your secretary or I can't see Satish or anybody. So please, they should also be visible. I can only see you.

Thank you sir and all the best.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thanks Aspi for your good wishes. And all are here. Varad is very much there. Mr. Satish is also on the dice here. So, everybody's here. Yeah. Next speaker is Mrs. Prakashini Shenoy.

Mrs. Prakashini Shenoy (Speaker Shareholder)

Am I audible, sir?

Mr. Pradeep Chandan (Chairman and Independent Director)

Yes.

Mrs. Prakashini Shenoy (Speaker Shareholder)

Thank you sir. Namaskar.

Mr. Pradeep Chandan (Chairman and Independent Director)

Namaskar, Namaskar.

Mrs. Prakashini Shenoy (Speaker Shareholder)

I'm Prakashini Ganesh Shenoy from Bombay. Respected Honorable Chairman Mr. Chandan Ji. Other dignitaries on the Board and my fellow shareholders. Good evening to all of you. I received AGM reports well intine which is colorful, informative, transparent and contains all the information as per the corporate governance. I thank Mr. Varadvinayak Khambete for the same. The Chairman has given a beautiful picture regarding the Company and it's working in all parameters in detail.

Thank you Chairman sir. At the outset I'm thankful to the board for recommending dividend for the financial year 25-26. Also glad to note that you are doing outstanding work in the field of CSR activities. Now my questions. My first question is kindly highlight the future roadmap for growth due to global situation. And my next question is how do we adopt digital technology to increase the productivity? And my last question is are we using AI application? Chairman sir, last but not the least, my honest request to you.

Please continue with VC so that people all over will have an opportunity to express their views. I wish the Company good luck for a bright future and pray God that the profit of the Company shall reach the peak in due course. Sir, I strongly and wholeheartedly support all the resolutions put forth in today's meeting. Thank you, Chairman sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you. Yeah. Our Next speaker is Mr. Bharat Shah.

Yeah.

Moderator

There seems to be some audio connectivity issue with Mr. Bharat's device.

Mr. Pradeep Chandan (Chairman and Independent Director)

आपका आवाज सुनाई नहीं दे रहा है भरत.

Mr. Bharat Shah (Speaker Shareholder)

और डायरेक्टर सर मेरा नाम भरत शाह | सर आपका speech में तो चन्दन सर आपने सब कुछ बता दिया है | और आपका balance sheet भी पड़ा बहुत व्यवस्थित कंपनी जो चल रही है बहुत आगे बढ़ रही है, तो मैं सुभेच्छा देता हूँ | सर इसके लिए सर आपको पूरे बोर्ड ऑफ डायरेक्टर और कंपनी के सभी छोटे बड़े इम्पलॉयस का मैं आभार व्यक्त करता हूँ | सर सर सीएसआर activity अच्छी चल रही है उसके लिए भी धन्यवाद अभिनन्दन देता हूँ सर | और सर कंपनी सेक्रेटरी डिपार्टमेंट ko bhi आभार व्यक्त करता हूँ | Balance sheet की अच्छी कॉपीमिली तो सी एस टीम का आभार व्यक्त करता हूँ सर | और सर factory विजिट हो सके पॉसिबल तो कराने की मेरी heartily request है सर | और सर स्मिता शाह उसका डिवाइस से बात करिए तो उसको ज्वाइन करना सर दूसरी जगह है तो उससे बात करिए | और आपकी हेल्थ अच्छी रहे कंपनी बढ़िया प्रगति करे सारे | resolutions में मेरा पूरा सपोर्ट है सर | थैंक यू वेरी मच जयहिंद वंदे मातरम् सर |.

Thank you very much.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thanks for your compliments. The next speaker is Smita shah.

Ms. Smita Shah (Speaker Shareholder)

हेलो हेलो आवाज़ आ रही है मेरी? माननीय चेयरमैन साहब श्री प्रदीप जी और सभी उपस्थित माननीय डायरेक्टरस आप सभी को मेरा स्मिता शाह का सादर प्रणाम | पहले तो मैं चेयरमैन साहब सी एस टीम का आभार व्यक्त करती हूँ और श्री मेहनती हार्डवर्क श्री वरदविनायक जी जिनका नाम भी गणेश जी का नाम है आज मंगलवार भी है बहुत बहुत लगता है सर उनका नाम देने से हमारा हर हर काम हमारा हो जाता है | सो और hardworking कंपनी सेक्रेटरी श्री वरदविनायक जी और पूरी सेक्रेटरी टीम से मैं आभार व्यक्त करते हुए कहूँगी कि हमें वैरी एक्सिलेंट बैलेंस भेजी | गुड फुल इनफार्मेशन के साथ बढ़िया | और साथ में आज लिंक भेज कर बात करने का भी मौका दिया तो पूरी सी एस टीम को मैं धन्यवाद कहती हूँ | और बहुत बहुत उनकी शुभकामना करते हुए अभिनन्दन उनके गुड जॉब के लिए | और चन्दन जी आपने अपनी स्पीच में कंपनी के बारे में बताया और हमारे प्रशांत जी ने भी बहुत बढ़िया प्रेजेंटेशन दिया सो आप सभी को मैं पहले तो अभिनन्दन देती हूँ की बहुत ही बढ़िया एक्सीलेंट गुड परफॉर्मेंस के साथ कंपनी हमारी गुड वर्क के साथ आप आगे बढ़ा रहे हो | आपकी एक्सीलेंट लीडरशिप के साथ सो आप सभी को | और आपने काफी सारे अवॉर्ड्स भी प्राप्त किए तो बहुत बहुत अभिनन्दन देता हूँ | हमारी पूरी बोर्ड टीम साथ में सभी छोटे बड़े एम्प्लॉयर का भी हार्डवर्क अपने आपके साथ रहा है | और साथ में नेक्स्ट सेवेंटी फिफ्ट एजीएम आ रही है तो उस में इन एडवांस आपको बधाई देते हुए कहूँगी चंदनजी next year हमारी एजीएम हमारी हाइब्रेड होनी जरूरी है चंदन जी ताकि हम आपसे रूबरू मिलने का मौका भी मिले | और 75th हमारा year बहुत अच्छे से करें और सो सर हमारी जरूरी है मेरी रिक्वेस्ट ध्यान में रखिये और चेयरमैन साहब बस मेरी heartily ऑलवेज शुभकामना आपके साथ है | आप सदा स्वस्थ रहे मस्त रहे और प्रसन्न रहे और कंपनी को यर बार प्रगति के साथ आगे बढ़ते रहे | और year by year डिविडन भी बढ़ाते रहे यही मेरी heartily शुभकामना के साथ आज के सभी रिजोलेश में मैं स्ट्रोंगली सपोर्ट करते हुए धन्यवाद करती हूँ और आने वाले सभी त्योहार शुभकामनाएं थैंक यू सर धन्यवाद |

Mr. Pradeep Chandan (Chairman and Independent Director)

धन्यवाद Madam. Mr. Bharat Negandhi.

Moderator

Mr. Bharat is currently not present in the panel.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah. Mrs. Lata Negandhi.

Moderator

Mrs. Lata is also currently not present in the panel.

Mr. Pradeep Chandan (Chairman and Independent Director)

Okay, we'll go to the next speaker. Mr. Rohit Suresh.

Mr. Rohit Suresh (Speaker Shareholder).

Hi Sir. Am I audible?

Hi. So, congratulations on a good set of numbers. I had few questions. One is on the Vitadee since we have got the FSSAI approval. So, what are the timelines in terms of monetization of the product and if you could share any inquiries that we have received, you know from potential customers and probably in the next two to three years at what level of revenues are we looking at from this segment? So that's one.

Secondly, I would want to know since you got the EU approval for the spray dried product, right. So now how long before we see it in our numbers and is there any revenue targets that you and the team have probably set off which you, you know, want to achieve probably in the next two to three years. And lastly, I would just want to know for this year, right, for the next one to two years in terms of revenues, in terms of margins, right. Where do we see the company, you know, going forward?

So these are the two to three questions that I had and congratulations once again on a good set of numbers. Thank you.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah, thank you. Yeah. Mr. Jaydeep Bakshi. Yes.

Mr. Jaydeep Bakshi (Speaker Shareholder)

Very, very good evening. Chairman and board of directors MD, CFO and other key major person myself Jaydeep Bakshi connecting from the city of Kolkata. First of all, I convey my thanks to our company secretary Varadvinayak ji for giving me the opportunity to express my view and presenting a detailed and informative and picturesque annual report full of facts and figures and so the initial speech along with MD sir was very much informative about the recent development and also the strategy we are forming along with the video clipping. And congrats once again for the quarter one results and for the dividend you passed on to us.. And sir our revenue has been hitting a new record high on year-on-year basis. How do you plan to sustain this? With the raw material cost volatility, how we plan to our margin outlook for the different segments can kindly share that and capacity utilization of our plants and any value addition for the specialized product diversification. Kindly share that. And steps to optimize the inventory cycles and invest inventory for the zero liquid discharge and sustainable manufacturing practices in our plants. Kindly share that and capital expenditure 110 crores for Dahej is scaling up. Kindly throw more thoughts into this and regarding the Slump sale of our environment division upon 19 crores. So how we plan to utilize the same. And regarding joint ventures, what is our future? Any plans for that? Any further? Any joint ventures? Nothing to add

more. I supported the resolutions and proud to be part of these 75th of our Company since incorporation and happy Independence Day to all present in this VC meeting and and thanks to our moderator for conducting this video conference in a smooth manner. Sir, thank you for the opportunity. Thank you, sir & stay safe.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you, Mr. Bakshi. Our next speaker is Mr. Anil Parikh.

Mr. Anil Parikh (speaker Shareholder)

Hello. Am I audible Chairman sir? Yes, very well, how are you, Pradeep Chandan ji?

Mr. Pradeep Chandan (Chairman and Independent Director)

I am fine.

Mr. Anil Parikh (speaker Shareholder)

I hope you are doing well. I know you since the day of BASF and you are very kind, generous and large-hearted person that I know very well. Chairman sir, I'm happy to see you in this Company as a chairman and the way company is progressing very well. I must appreciate all of you for the same I would like to thank our CS team also Varad Khambete and his team for doing excellent job as far as our shareholders cooperation is concerned. Chairman sir, now I will speak on formal part of the agenda. Our Company is among the top three global producers of vitamin D3. Supplying over 400 plus customers across 60 plus countries. Sir, we have scaled this year to 481 crores. Sorry last year up from 481 crores. Last year it was 347 crores. Excellent performance. Our EBITDA also has gone up. Our net profit has also grown up. And we have reversed since FY-23 and 24 from loss to profit. Excellent turnaround sir. And this was only possible because of our Chairman, MD and all our promoters there what you call long vision for the company. Sir, we are one minute sir. Okay. Sir Our product expansion beyond core vitamin D3 into active pharmaceutical and ingredients, ingredients and many products are doing well. And our R&D, what is our R&D expenditure? Please let me know sir. Now given that vitamin D3 contributes a majority of revenue, how is management mitigating external price, volatility and raw material costs spikes? The next question is what is the progress and time timeline for scaling non vitamin D3 segments to reduce segment concentration risk? Sir, we have debt. We have done debt repayment with growth. Gross Debt reduced to 109 crores. Excellent performance sir. Next question is how effectively is cash flow being converted into free cash flow after meeting ongoing capex needs. Chairman sir, you have done excellently well and I'm sure Chairman sir, under your leadership, your vision, your dynamism company will do much better in coming years. And I hope to see you next year with your very good health. I'm ending up here and thanking you all for allowing me to speak. Thank you, very much and good day, ahead for us. Thank you.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you, Mr. Parikh, for your good wishes. Our next speaker is Mr. Keshav Garg.

Mr. Keshav Garg (Speaker Shareholder)

Sir, thank you for the opportunity, Sir. I've already sent my list of the questions. So, if the management can confirm they've received the same.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah, we have received and we will respond to you.

Mr. Keshav Garg (Speaker Shareholder)

Yes, So, I won't ask everything again. I'll just ask the main ones and if you could emphasize on the same. So, we are doing a decent amount of capital of 110 crore on the plant-based vitamin D3 as well as the other two products, the green enzymes as well as the calcifediol. So, if you could help us understand how does this product compare in terms of realization Will we get some premium from customers for selling this plant-based product? Sir, how should we expect the ramp Up of this product? And if you could help us understand customer validation cycles for this

product have they started or they are yet to begin. And how's the marketability of this product in export market versus the domestic? Because I think in domestic, we would be an alternate to the D2 market. So, if you could help us understand how big this opportunity can become for us. And sir, on the real estate monetization how much of it is remaining in value terms and when do we expect to monetize the same sir, apart from these if you could help us understand you mentioned green enzyme. So, are this product the green enzymes for penicillin Are these an alternate product to the current enzymes that are utilized for manufacturing penicillin? Or these are just a similar product but made in India as well as scale up of these the two enzymes that you spoke about how should we see maybe over the next one or two years? Sir, I think rest of my questions you have with you it would be very helpful if you could answer these questions So thank you so much and all the best.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you, Mr. Garg. Our next speaker is Reddeppa Gundluru.

Mr. Reddeppa Gundluru (Speaker Shareholder)

Smart console and Flipkart partnership. What is the expected launch time milestones, initial sales targets and what is the revenue sharing of the margin structure? Are there any scale? What scale does the management expect to business to become a meaningfully profitable. Sir, final one Regarding DSPR contract revenue recognition was the deferred because of the software registration and SLA concerns. What is the current status of the contract and what is the condition to need to satisfy the before they refer the revenue change. So finally, congratulation entire on mobile team for strong improvement margins and gaming growth operational profitability. I remain confident that the discipline execution success will armor adoption of the revival in India the company can create sustainable growth the long-term valuable shareholder. Thank you so much. I have full faith on the Chandan Sir all the board of directors and the definitely will achieve many higher hours coming financial. That's the reason I pray God to give more wisdom, strength, power. Thank you so much sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you. Thank you. Yeah, our Next speaker is Mr. Satish Shah.

Moderator

Mr. Satish is currently not present in the panel.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah. Okay. So, we have the last speaker, Mr. Hiranand Kotwani.

Mr. Hiranand Kotwani (Speaker Shareholder)

Hello thank you to. Hello. Namaste. Respected chairman. Other dignitary attending this meeting and my fellow Shareholder. मैं सुबह शुरू से देख रहा था चन्दन साहब आपको मानना पड़ेगा you have narrated the whole picture again two gentlemen add some financials and details. And so many question has been asked. The two ladies have taken away my question. But certainly, this company has great future for the further consolidation. Because everybody has narrated two, three earlier figures. I only this only AGM. मैं मैंने देखा 2-3 साल पहले का दे रहे और सब आपका जो real estate बिजनेस है वो कंटिन्यू चलेगा की कुछ साल के बाद बंद हो जाएगा? क्योंकि हम लोग actually मेडिकल में है। How you see the this? Because you said innovation is skill. Gentlemen, please narrate innovation and export scale and expansion. And how the coordination in the future will be. Because the future will play important role to coordinate various aspect of this organization. Your products are well acknowledged in market not only in India but globally. How are your opportunity in the preventive health. How we invest in a preventive health and market is important. Scale. As you said scale is important. How we move ahead with the export potential. Can you narrate our global investment and our yield from that how much foreign exchange we received. Chandan, you are visionary. You can guide this company well. I hope this company will under your leadership will go long way. Thank you.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you, Mr. Kotwani.

Mr. Hiranand Kotwani (Speaker Shareholder)

Best wishes from my side I am Hiranand Kotwani from Kalyan.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you. Yeah. So, we have called out earlier the few names. That time Mr. Rajendra Sheth could not be able to join. Now he's there. So, I request Mr. Rajendra Sheth to come on the mic.

Mr. Rajendra Sheth (Speaker Shareholder)

Hello.

Mr. Pradeep Chandan (Chairman and Independent Director)

आवाज आ रही है

Mr. Rajendra Sheth (Speaker Shareholder)

चेयरमैन सर, मैनेजिंग डिरेक्टर और शेयरहोल्डर भाइयो मैं राजेंद्रसेठ थाना महाराष्ट्र हूँ। अभी भी अभी बिजनेस टूर पर हूँ, तो थोड़ा बहार से हुआ तो आवाज में बारिस की वजह से थोड़ा डिस्टर्बेंस आ रहा है। चेयरमैन सर आपका बहुत काम अच्छा रहा, बहुत कम अच्छा रहा। आगे का future भी बहुत अच्छा है। और आपकी लीडरशिप पर पूरा भरोसा था। एक छोटा सा question है सर के R&D में अभी हम क्या नया कुछ मतलब वो रिसर्च कर रहे हैं। वो जरा बताइए बस बाकी Secretarial डिपार्टमेंट का भी बहुत अच्छा काम है, उसको भी धन्यवाद देता हूँ सब resolution में पूरा सपोर्ट। और हार्दिक शुभेच्छाएँ बस बोलने का मौका दिया, धन्यवाद धन्यवाद सर धन्यवाद थैंक यू।

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you. Thank you. Mr. Sheth. Yeah. Our next speaker is Mr. Bharat Negandhi.

Mr. Bharat Negandhi (Speaker Shareholder)

सर मेरा आवाज आ रहा है सर.

Mr. Pradeep Chandan (Chairman and Independent Director)

आवाज वेरी क्लियरली आ रहा है.

Mr. Bharat Negandhi (Speaker Shareholder)

Respected Chairman Board Of director and fellow Shareholder. My name is Bharat Negandi from Bombay. Good evening to all of you. Firstly, I have received annual report in time. Report is very beautiful, authentic and transparent. I congratulate company secretary Mr. Varadvinayak Khambete and team to send me the physical copy to my resident address. I have four to five question is there? Sir Auditor sign is 26 May. But meeting will be held on today around August. Today you know four to five meeting is there in same time. So, this is our humble suggestion. Next time you should keep meeting early. This is our humble suggestion. Number three. Sir What is the capex program? Number three. sir What is the dividend distribution policy? Number four. Total number of the employees in the office. And the plan and page number 176 other expenses, Advertisement, Trade commission, traveling, legal, payment to auditor, miscellaneous gone up, please give me the detail. I fully support to pass all the resolution and bright and healthy future of the Company. Once again, I thank you Company Secretary Khambate and team they are very good investor service to the minority theoretical. Once again, I thank you sir their query in the mail to be given the reply afterwards they are fully support to pass all the resolution and brighten healthy future of the company. Thank you very much once again can you allow me to speak thank you very much. चन्दन साहब आपका तबियत अच्छा रहे वो भगवान को प्रार्थना करता है Every year you are continue your support and company continues to just minority shareholders you take the care thank you sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Thank you thank you, Mr. Negandhi, yeah, I thank all the speaker shareholders for their valuable feedback and queries. We'll now proceed to respond to the questions raised. Yeah, Now I request Mr. Our MD Mr. Prashant to respond to your queries.

Mr. Prashant Nagre (Managing Director)

Thank you so much for all the questions. We have noted them down and what I would do is because there was repetition I will just go by themes and try to answer almost all of them in case I leave out on something our Company Secretary Varadvinayak would be more than happy to respond to you subsequently. The there were questions about capacity utilization and in 25-26 financial year, we have been having capacity utilization excess of 80%.

The growth which was there and kind of imagine for this year that is financial 27 we the regular business that is the core business of this organization would grow like previous years at more than 10%. As far as the new products are concerned which is the all-new introductions that are currently happening it is very difficult to say that how much they will contribute because they will go through do a cycle of sampling, vendor approval, audits and in certain cases also certain amount of stability studies and use test which will happen.

So many people wanted to know what the new products are and what they will kind of contribute. So, one of them is going to be the spray dried format of vitamin D3 where we have received approval from the European Department for certificate of suitability and we have extensively kind of sampled this product across the entire European region and also other regions where people do contract manufacturing and supply into Europe and it is at various stages of approval.

All of this can take between six months to one year or a little more than that, but will completely depend on the studies with our customers. We are in close coordination with most of these customers at highest level of service standards and it is being pushed in all territories. As well as Vitadee Green is concerned, it is just one month before that we received the food and safety standards authorities' approval and the main market for this is in addition to the export market is going to be India and it will be in different segments. So, one of the segments under the FSSAI license is nutraceuticals food for special dietary purposes, food for special medical purposes, food large scale food fortification which will take it into edible oils as well as the milk and few other applications within fortification like the malt-based beverages and all.

So, at all segments and all levels of customers, engagements have started because we were anticipating this and we were prepared for this. So, we have started doing that, and it will again have their own approval processes, vendor qualification, samples, testing, and audits if required. So, and the last but not list is the enzymes. Because many people ask questions on green chemistry. So just to explain to you, penicillin G acylase based enzymes, and the PLI scheme. So, the PLI scheme is given for active substances like penicillin G. Fermenta has not applied for one. We are not participant of PLI, and we will never produce penicillin G. It requires enzymes in the downstream process from penicillin G. That is what we produce. We have been producing for the last four decades, and those enzymes have applications now. Most of the business and all penicillin production in India had stopped. Now it is back. So that gives opportunity for us and it has also come about in other Gulf nations. So, we are now at the forefront of being able to supply a making in made in India enzyme for these applications.

But enzyme story is not only limited to antibiotics like penicillin G or the first generation of cephalosporins or ampicillin, amoxicillin, and cloxacillin. I think our enzyme green chemistry story goes beyond that because of lipases that we have got a couple of lipases in our store. They have got varied applications in different sections starting with pharmaceutical intermediates and active substances. Second is fine chemicals and organics, perfumery, biodiesel and also most important is home and personal care products which are used which are esters. Our products have applications in those not only in India but also in Europe and USA where green chemistry is at already forefront because of the existing laws and regulations with respect to pollution. So, it is highly sought after. So, in all these segments we are promoting our green chemistry enzymes and that is where it will go.

So we are not, eligible for PLI because our products are not in the government list and that is not where we will produce penicillin G. So just to clarify, because there was some misunderstanding. Between two and three years of pipeline for R & D and plans for R&D in terms of overall kind of new. What is ahead? We have a continuous plan of pipeline at R & D and the general theme on this entire development is go up the value chain. That is first diversified in the product basket, which is vitamin D remains an important portfolio.

However, adjoining products like Calcifediol for that matter will add to that thing. Green chemistry, new products. And in green chemistry we have also innovated on the delivery mechanism and applications. So that becomes a diversification platform.

So, in the next three years the entire scope will come out of this diversification based on going up the value chain. That is the spray ride formats of the existing products and new products going into human as well as animal nutrition with this value-added format of sprayed ride products. Green chemistry going into newer applications and also new geographies and also obtaining regulatory approvals within those geographies to be able to sell green chemistry into not only the chemical industry but also into food and nutrition business. So that is where the R & D kind of focus will be there.

There is a healthy pipeline for all of this and at various stages of their development within that. There were questions with respect to the current global situation on geopolitical situations, wars and other things. I think we have a very robust understanding on where our raw materials come from. The preventive stocks that we should be keeping there.

We have already done backward integration a few years back, but we remain very, very alert to the changes within the system and take preventive actions so that our control on cost of goods sold is always there. We have had few single ingredients or single source things. We have made efforts to diversify that situation, and we remain very confident that we'll keep navigating these difficult times through the geopolitical situation, both on the demand side as well as the supply side.

There was a question about attrition in our company. It is between 10 and 13%, and ESG rating was one another question where we it's not applicable to us as a thing. AI and digital roadmap were two questions. We remain invested in technology. We use cutting edge kind of ERP platforms like SAP which makes not only our business easier, but all subsidiaries and all other locations of our business can

and the expansions that we have done are scalable through these platforms and therefore all the compliance-related comforts that system provides is available. The same is integrated on success factor for human resources purposes and also connected with our regulatory requirements on quality front with us FDI as well as adequate for the plants. So, all the BPARS and all manufacturing records are linked through this ERP system to the regulatory servers that are required. So, AI will continuously play a role for the future in terms of the way that we approach customers or we run our operations. And it is an evolving space. We have dedicated resources which are continuously watching that space.

There was one question with respect to understanding where the 110 crore rupees of investment is going to go, and it is mainly for expansion of further vitamin D3, calcifediol which is a derivative of vitamin D3 which will again go into two different formats human nutrition as well as animal nutrition and enzymes at the Dahej facility.

There was very interesting question on the new product that we have the approval for which we have received from FSSAI Vitadee Green vs D2 vs D3. D2 in absence of D3 from vegetarian source and with a green dot, D2 got used in this country and that is not what the body makes.

So we feel that there is reasonable options available for the industry now within fortification within the nutraceutical space as well as food for medical and special dietary purposes and also malt based drinks available in this country

to use the right D3 that is the Vitadee Green that we have produced. So, it will help in expanding their choice of ingredients into that space. And last but not least is the preventive health emphasis. Fermenta Biotech and its Board believe 100% that we are a nation which is in middle income, and we will not be able to treat people when they fall sick.

There is no money available, and there will be no money available for a large population like ours if we only follow a treatment path. So preventive health is the transformation and the responsibility that Fermenta feels is as a leading player within that nutrition space we will invest in awareness and that is where we will invest in next few financial years to make sure that preventive health is given emphasis and all our products and solutions are within that space should fuel our growth for the future.

I'll request Sumesh Gandhi to address other questions where financial numbers were involved.

Thank you so much.

Mr. Sumesh Gandhi (Chief Financial Officer)

Thank you, Prashant.

So, there were a few questions which were more from a financial perspective which I'll try to answer them. One question was that there is a reduction in PAT in FY-26 versus FY-25. Now let's understand. FY-25 had a one-time real estate sale of 45 cr which was not there in FY-26 so it's not from a core business that we had a PAT reduction so that's not there.

One question was on the price and volume growth in FY-26. We consistently give this information in our press release but in FY-26 on human nutrition we had a 21% increase in volumes. Vis-a-vis FY-25. On the animal nutrition which is and business which we do it from our German subsidiary we had a volume growth which was of 49%. However, the average price we saw a fall of 16% in FY-26 vs FY-25. One question also was on the margins as to why are Q1, FY-27 margins and PBT lower than Q1, FY-26 on a standalone basis on FY-27. The PVT is 20 crores as against 22.71 crores which was on Q1, FY-26. However, Q1, FY-26 had one-time real estate benefit of 1.6 crores. There was an insurance claim of approximately 2.7 crores also which was included into that income which directly goes down to the PAT level. So that's the reason we saw there was a difference. However, I do not see that on a standalone basis it has been lower. On a consolidation basis it has been lower because of the lower volumes and the lower prices on our opportunistic business of animal feed.

One question was on the steps for inventory optimization.

Prashant had also spoken about it in his discussion and let me also clarify that. I also spoken that we it is a deliberate effort by us considering the current geopolitical uncertainties and also considering that our products are niche products. We need to carry an optimized or a little bit higher than the optimized level of inventory at all points of time. The Hedge 110 crores or the Hedge Capex, when will this come to an end? It's going to take approximately 9 to 12 months for the Dahej Capex to be completed from now on. R & D expenditure approximately 13 crores was R & D expenditure which was expended in FY-26.

Another question was on the free cash flow that will be available after taking care of the capex. Capex is going to be a mixture of both debt and internal accruals. The debt is going to be 80%, and the balance is going to be from an internal accrual. So, I do not see the free cash flows to come down substantially.

One question also was on the real estate monetization how much is remaining. I think so we are in the last phase where we had signed a joint development agreement for the 120,000 square feet of residential 125,000 square feet of carpet area, terra carpet area in the residential tower and that's the last one which is going to happen. Other than that, we hold approximately four floors in my current building which is in Thane one. But out of that two are for self-consumption, and the balance mostly would be for our future expansion. So what we have is 120,000 square

feet for which the revenue would get recognized at the time when we receive the OC for those buildings. Let me see if I have missed out on anything.

There's a question which also was on what was the breakup of revenue on the API and the animal nutrition. I guess the question was more from a human nutrition and animal nutrition. So, FY-26 we had out of 548 crores of total revenue, 293 crores was from human nutrition and 109 crores was from animal nutrition. Then there is also a question which was on the return on capital employed. Our focus is to ensure that we maintain our return on capital employed. However, considering that there is going to be a capex which is going to come in over this year, while the full-blown benefit of it is something which we will see over a period of next two 2 to 3 years, we may see that there might be a little bit fall in the return on capital employed.

One question was on the dividend policy. Our dividend policy has always been, you know, to take into consideration the future capex requirements, the free cash flows that the company would have, and the future growth investments that the company needs to do. Taking all those into consideration, the dividend policy and the dividend is normally decided by the board.

Let me see. I think so. I have answered most of the queries in case I've missed out on something and all those which we have received from through emails, we will get back to them. The only thing is any forward-looking statements; we do not make any forward-looking statements. So, any information which is competitive in nature, or which is from a forward-looking statement perspective, is something which we would not be in a position to answer them with this. I would give back the mic to the Chairman sir.

Mr. Pradeep Chandan (Chairman and Independent Director)

Yeah, thank you, Sumesh.

While we have tried to respond to most of your questions or queries, in case there was any specific query which we may have been missed inadvertently, you may write to our Company Secretary and Head-legal Mr. Varadvinayak Khambete who will revert on the same separately. May I now request the shareholders who have not yet cast their votes on the resolution to please do so. The results of the voting on all the resolutions will be declared within 2 working days after the conclusion of this meeting, and it will be intimated to both the stock exchanges, BSE and NSE and posted on Company's and the Registrar's websites.

I now declare that e-voting period be kept open for 15 minutes to facilitate voting by the shareholders who have not exercised their votes on the resolutions. I thank all the shareholders, directors, and other participants for your attendance and participation at the 74th AGM today and look forward to your continued support. I now declare the meeting as concluded. Thank you all.

E-voting commenced

(15 minutes)

End of E-voting.

End of meeting.