

ADVANCED ENZYME TECHNOLOGIES LIMITED

(CIN: U24200MH1989PLC051018)

Registered Office: A Wing, 5th Floor, Sun-Magnetica, Near L.I.C. Service Road, Louiswadi, Thane- 400604
Email: info@advancedenzymes.com, Website: www.advancedenzymes.com Phone: 022-41703200, Fax: 022-25835159

NOTICE

NOTICE is hereby given that an **Extra-Ordinary General Meeting** of the Members of **Advanced Enzyme Technologies Limited** will be held on Wednesday, the 23rd December, 2015 at 11:00 A.M. at the Registered Office of the Company at A Wing, 5th Floor, Sun-Magnetica, Near L.I.C. Service Road, Louiswadi, Thane- 400604 to transact the following business:-

1. To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:-

“RESOLVED THAT, pursuant to the provisions of Section 196,197, 203 and 188 and other applicable provisions of the Companies Act, 2013, if any and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, subject to approval of members in the General Meeting, consent be and is hereby accorded to the reappointment of Mrs Savita C. Rathi as Whole time director for a period of five years with effect from 1st January, 2016 on the terms and conditions including remuneration set out in the Agreement to be entered into between the Company and her, which agreement is hereby specifically approved with the liberty to the Nomination & Remuneration Committee to alter and vary terms and conditions of the said agreement as may be agreed to between the Committee and Mrs. Savita C. Rathi, provided however that the remuneration payable Mrs. Savita C. Rathi shall not exceed the maximum limits for payment of managerial remuneration prescribed under Schedule V of the Companies Act, 2013 or any amendments thereto and further that and that the consent of the Board be and is hereby accorded to her holding an office or place of profit and continuing to hold an office or place of profit as a Director nominated and as may be nominated by the Company from time to time on the Boards of its subsidiary Companies”

“RESOLVED FUTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration and perquisite as set out in the aforesaid draft Agreement shall be paid to Mrs. Savita C. Rathi as minimum remuneration.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, and things and to execute any agreements, documents or instructions as may be required to give effect to the aforesaid resolution.”

2. To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or reenactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Shareholders of the Company (“Shareholders”) be and is hereby accorded respectively to the AETL - Employee Stock Option Scheme 2015 (hereinafter referred to as the “AETL - ESOS 2015”/ “Scheme”) and to the Board to create, offer and grant from time to time upto 2,00,000 (Two Lakhs) Employee Stock Options (“ESOSs”) to (a) a

permanent Employee of the Company who has been working in India or outside India; or (b) a Director of the Company, whether a whole time Director or not, but excluding an Independent Director; or (c) an Employee as defined in clauses (a) or (b) of a Subsidiary, in India or outside India, or of a Holding Company of the Company but does not include- (i) an Employee who is a Promoter or a person belonging to the Promoter Group; or (ii) a Director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company (hereinafter referred to as an "Employee(s)"), as may be decided solely by the Board under the Scheme, exercisable into not more than 2,00,000 (Two Lakhs) fully paid-up equity shares in the Company in aggregate of face value of Rs. 10/- (Rupees Ten only) each, allotted directly to the eligible employees on vesting and exercise or to Employee Welfare Trust (herein after referred to as "Trust") set-up by the Company, at such price not exceeding Rs. 300 per share, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Scheme, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

RESOLVED FURTHER THAT the Board be and is hereby further authorised to issue and allot equity shares upon exercise of ESOSs from time to time in accordance with the Scheme and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders ("Additional Shares"), the ceiling as aforesaid of 2,00,000 (Two Lakhs) ESOSs and equity shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT in case the equity shares of the Company are sub-divided the exercise price of the share will be such price not exceeding value per share as calculated by dividing Rs. 300 (Rupees Three Hundred only) by 10 (Ten) and multiplied by face value of share on such sub division.

RESOLVED FURTHER THAT the Board be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the AETL - ESOS 2015 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the AETL - ESOS 2015 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the AETL - ESOS 2015.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to take necessary steps for listing of the equity shares allotted under the AETL - ESOS 2015 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges, the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and other applicable laws, guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of AETL - ESOS 2015 as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution.”

3. To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and SEBI LODR Regulations 2015 (including any amendment thereto or re-enactment thereof), the Articles of Association of the Company be and are hereby altered by replacing all the existing regulations 1 to 214 with the new regulations and adopted as new set of the Articles of Association of the Company.”

“RESOLVED FURTHER THAT any of the Directors and or Company Secretary of the Company be and is hereby authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution, including but not limited to the filing of necessary forms with the Ministry of Corporate Affairs and to comply with all other requirements in this regard.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. All documents referred in the Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 A.M. to 1.00 P.M. upto the date of Annual General Meeting.
3. The Proxy form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
4. Members holding shares in physical form are requested to submit their e-mail address to the Company/RTA, duly quoting their Folio number and Members holding shares in electronic form who have not registered their e-mail address with their DP are requested to do so at the earliest, so as to enable the Company to send the said documents in electronic form, thereby supporting the green initiative of the MCA.
5. Members desiring to get copy of the new set of Articles of Association as referred in the item no 3 of the Notice may write to the secretarial department and are also available on the website of the Company.
6. Relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

7. Members are requested to bring their copy of this Notice to the meeting.

By Order of the Board of Directors

Thane, 28th November, 2015
Registered Office
Sun-Magnetica, A Wing,
5th Floor, Near LIC Service Road,
Thane (W)- 400 604

(Kedar Desai)
Chairman

(C.L. Rathi)
Managing Director

Explanatory Statement attached to

the Notice of the EGM pursuant to the requirement of Section 102 of the Companies Act 2013

ITEM NO. 1 : REAPPOINTMENT OF MRS SAVITA C RATHI AS WHOLE TIME DIRECTOR

Mrs. Savita Rathi was appointed as a Whole Time Director for a period of five years effective from 1st day of January 2001 and thereafter on 1st day of January 2006 by the extra-ordinary general meeting of the members of the Company on 1st April, 2006 and the further period of 5 years in the annual general meeting of the members of the Company held on 18th August, 2011. The term of appointment of Mr. Savita C. Rathi as a Whole Time Director for the period of five years commencing from 1st January, 2011 till 31st December, 2015 is about to expire and her reappointment is due as per the provision of Companies Act 2013. In line with the market trend and consequent to the increase in the responsibilities, the remuneration to the Director (Executive) proposed to be revised. The remuneration committee has mentioned their recommendation for reappointment and revision of the remuneration.

The continuous association of Mrs. Rathi is considered very fruitful to the Company due to her involvement with the management of the Company and her achievements. The Board of directors based on the recommendation of Nomination and Remuneration Committee decided at their meeting held on 28th November, 2015, to re-appoint her for a further period of five years from 1st January, 2016.

The terms and conditions of the reappointment are set out in the draft agreement entered into by the Company with Mrs. Savita Rathi, which interalia contain the following:

The Whole-Time Director shall, subject to the supervision and control of the Board of Directors and/or Chairman of the Company, manage the business and affairs of the Company.

I REMUNERATION

- a. **Basic Salary** : In the Range of Rs. 1,40,000 per month with an annual increment not exceeding 30% of the previous year basic.
- b. **Other Allowances**: Such as House Rent Allowance, Compensatory Allowance, Education Allowance, Special Allowance, any other allowance as per the rules of the Company and payable every month or annually.

c. Perquisites:

Category - A

She will be entitled to various perquisites including Medical Reimbursement, Leave Travel Concession, Club Fees (subject to maximum of two clubs excluding admission and life membership fees), Personal Accident Insurance: Medical Insurance, Incentive, Exgratia, Credit Card Membership & Annual Fees (used for business purpose) etc., in accordance with the rules of the Company. The aforesaid perquisites may be in the form of allowances or reimbursement.

The aforesaid perquisites will be restricted to aggregate of annual salary and allowances as mentioned in (a) and (b) above.

Category - B

The Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund, benefits of the Pension and Gratuity Scheme, Leave entitlement, Earned Leave and Encashment of earned leave and long service awards, will be in accordance with the Rules and Regulation of the Company and will be allowed in addition to Salary but these shall not be included in the computation of perquisites.

Category - C

Car for the use on Company's' business, telephone and communication facilities at residence, will not be considered as perquisites.

d. Reimbursement of Expenses

Reimbursement of travelling, entertainment and other expenses including amount spent on newspaper and business magazines incurred by him during the course of the business of the company.

e. Sitting fees:

She is not entitled to sitting fees for attending meetings of the Board or of a committee thereof.

f. Termination Clause

1. The appointment shall be terminable by either party i.e by the Company or by Whole Time Director by giving three months' Notice.
2. Minimum Remuneration: In the event of absence or inadequacy of profits in any financial year, the remuneration payable to her by way of salary and perquisites shall not exceed the maximum limit prescribed under Schedule V to the Companies Act, 2013.

The Explanatory statement together with the accompanying Notice should be treated as an abstract of the terms of the Agreement and Memorandum of concern or interest under Section 190 of the Companies Act, 2013.

Mrs. S.C.Rathi who is being reappointed, Mr. C.L.Rathi and V.L.Rathi being relatives of Mrs. Savita Rathi are interested in the above resolution. No other Directors and Key Managerial Personnel of the Company except Mr. Piyush C Rathi being immediate relative of the director are concerned or interested in the said resolution.

ITEM NO 2: EMPLOYEE STOCK OPTION SCHEME

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/ plan. Your Company believes in rewarding its employees including Directors of the Company as well as that of the Subsidiary Company(ies) for their continuous hard work, dedication and support, which has led the Company and the Subsidiary Company(ies) on the growth path. The Company intends to implement AETL - Employee Stock Option Scheme

2015 (“**AETL - ESOS 2015**”/ “**Scheme**”) with a view to attract and retain key talents working with the Company and its Subsidiary Company(ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The Company seeks approval of the Shareholders in respect of AETL - ESOS 2015 and for grant of Stock Options to the eligible employees / Directors of the Company, that of its Subsidiary Company(ies) as may decided by the Nomination and Remuneration Committee (“**Committee**”) from time to time in due compliance with Companies, Act, 2013 (including rules framed thereunder), SEBI SBEB Regulations and other applicable laws and regulations.

The main features of the AETL - ESOS 2015 are as under:

1. Total number of Options to be granted:

2,00,000 (Two Lakhs) Options would be available for grant to the eligible employees of the Company and eligible employees of the Subsidiary Company(ies) in aggregate under AETL - ESOS 2015, in one or more tranches exercisable into not exceeding 2,00,000 (Two Lakhs) equity shares in aggregate in the Company of face value of Rs. 10/- (Rupees Ten only) each fully paid-up.

Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled options as per the provisions of AETL - ESOS 2015.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of Options or equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI SBEB Regulations.

2. Identification of classes of employees entitled to participate in AETL - ESOS 2015

Following class/classes of employees are entitled to participate in AETL - ESOS 2015:

- (a) a permanent Employee of the Company who has been working in India or outside India; or
- (b) a Director of the Company, whether a whole time Director or not, but excluding an Independent Director; or
- (c) an Employee as defined in clauses (a) or (b) of a Subsidiary, in India or outside India, or of a Holding Company of the Company but does not include-
 - i. an Employee who is a Promoter or a person belonging to the Promoter Group; or
 - ii. a Director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company.

3. Transferability of Employee Stock Options:

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under AETL - ESOS 2015.

4. Requirements of vesting and period of vesting:

The Options granted shall vest so long as an employee continues to be in the employment of the Company or the Subsidiary Company as the case may be. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1 year.

5. Maximum period within which the Options shall be vested:

Options granted under AETL - ESOS 2015 would vest subject to maximum period of 5 years from the date of grant of such Options as follows:

Year of Vesting	Percentage of Vesting
1 year after the date of grant	10%
2 years after the date of grant	20%
3 years after the date of grant	30%
4 years after the date of grant	40%

6. Exercise price or pricing formula:

The Exercise Price per Option shall be such as may be determined by the Nomination and Remuneration Committee but shall not be less than the face value of the Equity Share of the Company and not exceeding Rs. 300 (Rupees Three Hundred only) per share of face value of Rs. 10 (Rupees Ten only) each and in case of sub division of the share at such price not exceeding value per share as calculated by dividing Rs 300 (Rupees Three Hundred only) by 10 (Ten only) and multiplied by face value of share on such sub division.

7. Exercise period and the process of Exercise:

The vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 5 years from the date of vesting of such Options. The Options shall lapse if not exercised within the specified exercise period.

8. Appraisal process for determining the eligibility of employees under AETL - ESOS 2015:

Eligibility of employee is based the criteria as may be determined from time to time by the Nomination and Remuneration Committee for granting the Employee Stock Options to the Employees.

9. Maximum number of Options to be issued per employee and in aggregate:

The maximum quantum of option per eligible employee for each year shall not exceed 5,000 (Five Thousand) Equity Shares of Rs. 10 each and in aggregate under the AETL - ESOS 2015 shall be less than 2,00,000 Equity Shares of the Company , which is less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

10. Accounting and Disclosure Policies:

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

11. Method of Option Valuation:

To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the Option granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on EPS of the company shall also be disclosed in the Directors' Report.

12. Primary Route:

The Board upon exercise of options by eligible employees will issue shares by way of primary issue as per applicable laws and regulations as prevailing and in force from time to time.

In terms of provisions of Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 consent of the Shareholders is being sought by way of a Special Resolution(s) set out at Item No. 2 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s), except to the extent of their entitlements, if any, under the Scheme.

ITEM NO 3: ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION

The Companies Act, 2013 has introduced some new provisions and in addition to this Listing Agreement provisions are replaced by SEBI LODR Regulations, therefore amendments in the Article of Association is required to be made as the stock exchanges will insisted before granting in principle approval of listing of shares of the Company. It is also mentioned that the existing clauses pursuant to the requirement of Shareholders and Subscription Agreement dated 22nd June, 2012 also need to be incorporated. To give effect to these changes it is recommended to adopt the new set of Article of Association as provided under Companies Act, 2013.

The modification in the Articles of Association is carried out to give effect to the provisions of the Companies Act, 2013 and SEBI LODR Regulations. In addition to this members are aware that pursuant to Share Subscription and Shareholders Agreement dated 22nd June, 2012 (“**SSSA**”) inter-alia with the (i) Kotak India Venture Funds; (ii) Kotak Employees Investment Trust and (iii) Kotak India Venture (Offshore) Fund (“**the Investors**”) and pursuant to the SSSA the Company has made amendment in its Articles of Association to appropriately reflect the provisions of SSSA subsequent to the approval of shareholders in the annual general meeting of the Company on 17th July, 2012. Accordingly the article of association will also be amended to include the rights of the Investors.

A copy of the proposed New Articles of Association of the Company is available on the website of the Company and for inspection at the Registered Office of the Company on any working day between 11:00 A.M. and 1:00 P.M. and shareholders can obtain a copy from the secretarial department of the Company.

The Board recommends passing of the Special Resolutions set out in the Notice convening the meeting.

Other than the Promoters who are parties to the SSSA, the provisions of which are incorporated in the Articles of Association of the Company through the amendments as aforesaid and Mr. K.V.Ramakrishna, being nominee director of investors none of the directors of the Company and Key Managerial Personal is concerned with or interested in the proposed resolution for amendment of Articles of Association.

By Order of the Board of Directors

Thane, 28th November, 2015
Registered Office
Sun-Magnetica, A Wing,
5th Floor, Near LIC Service Road,
Thane (W)- 400 604

(Kedar Desai)
Chairman

(C.L. Rathi)
Managing Director

ADVANCED ENZYME TECHNOLOGIES LIMITED

: Registered Office:

Sun Magnetica, A Wing, 5th Floor, Near LIC Service Road, Louis Wadi, Thane (W) - 400 604.

ATTENDANCE SLIP

EXTRA-ORDINARY GENERAL MEETING HELD ON WEDNESDAY, 23RD DECEMBER, 2015 11:00 A.M.

Reg. Folio No. -----

I certify that I am registered shareholder / proxy for the registered shareholder of the Company. I hereby record my presence at Extra-Ordinary General Meeting of the Company at Sun - Magnetica, A Wing, 5th Floor, Near LIC Service Road, Louis Wadi, Thane (W) -400604 on Wednesday, 23rd December, 2015

Member's/ Proxy's name in BLOCK Letters

Member's /Proxy's Signature

Note : Please fill the attendance slip and hand it over at the ENTRANCE.

..... (TEAR HERE)

ADVANCED ENZYME TECHNOLOGIES LIMITED

: Registered Office:

Sun-Magnetica, A Wing, 5th Floor, Near LIC Service Road, Louis Wadi, Thane (W) - 400 604.

FORM OF PROXY

I / We

of in the district of

being a member of the above-named company hereby appoint

of in the district of

as my/our proxy to vote for me/our behalf at the EXTRA-ORDINARYGENERAL MEETING of the Company to be held on Wednesday, 23rd December, 2015 and at any adjournment thereof.

Signed this _____ day _____ 2015

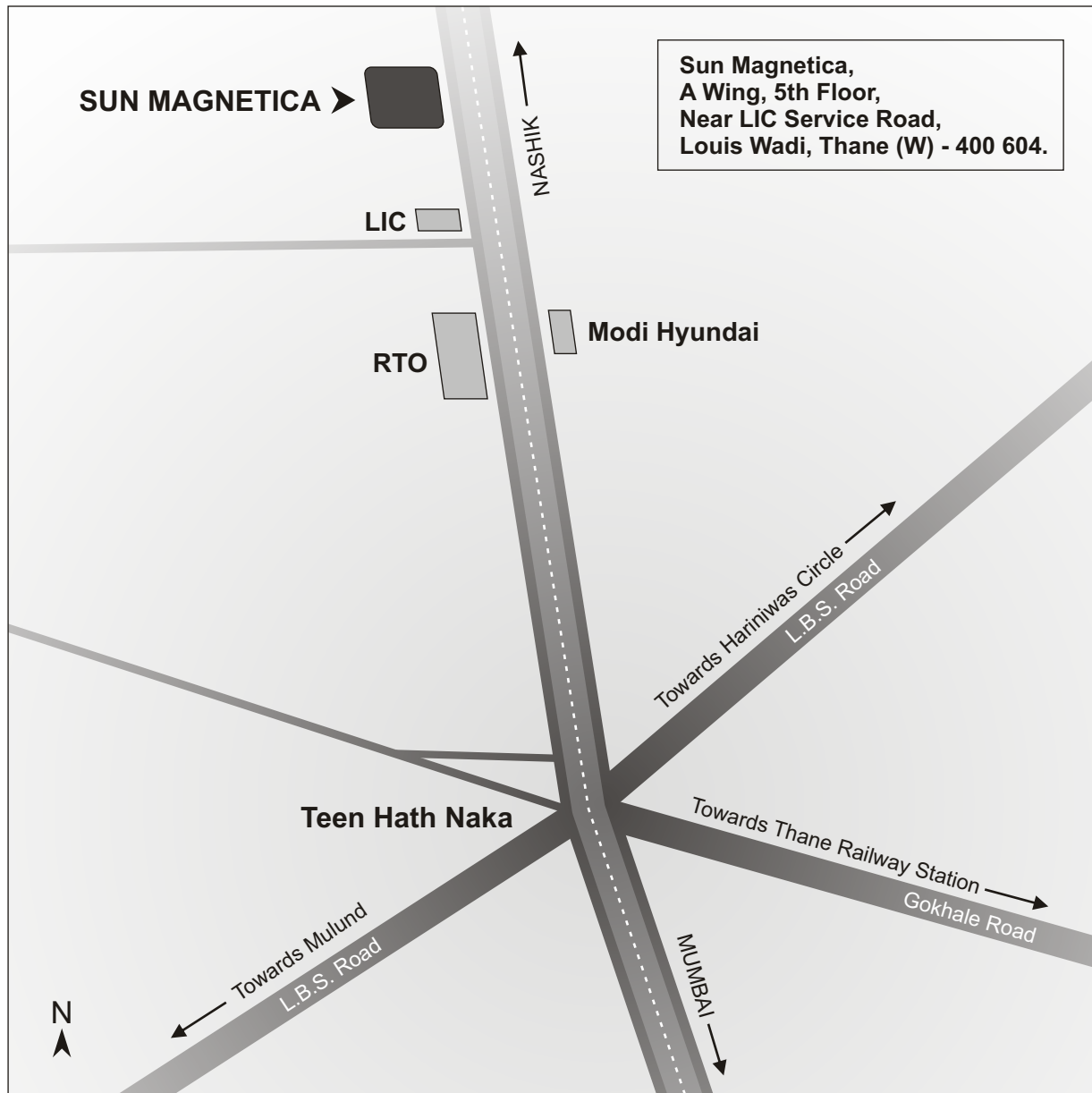
Signature _____

Reg. Folio No. _____

Affix a
1 Rupee
Revenue
Stamp

Note: this Form in Order to be effective should be duly stamped, completed and signed and must be deposited at the Registered office of the Company, 48 hours before the meeting.

Route Map for the Extra-Ordinary General Meeting Venue.



Map not to scale