

Advanced Enzyme Technologies Ltd.

CIN: L24200MH1989PLC051018

Sun Magnetica, 'A' wing, 5th Floor, LIC Service Road, Louiswadi, Thane (W)-400 604, India

Tel: +91-22-4170 3200, Fax: +91-22-2583 5159

Email: info@advancedenzymes.com, www.advancedenzymes.com

April 22, 2017

The Listing Department,
BSE Limited
Department of Corporate Affaris
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai- 400 001

Scrip ID-540025

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

Scrip Code-ADVENZYMES

Dear Sir/Madam,

Subject: Outcome of Board Meeting held on April 22, 2017

Ref: ISIN: INE837H01012

With reference to the notice of Board Meeting dated April 13, 2017, we hereby inform that the Board of Directors in its Meeting held on April 22, 2017 (commenced at 10.00 a.m. and concluded at 12.00 noon) has inter alia, approved the following:

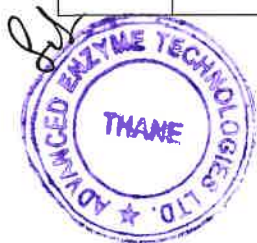
- i. Investment in Advanced Biodiesel Limited ("ABL") by acquiring / subscribing, in one or more tranches, upto 15% of paid up share capital of ABL for an amount not exceeding Rs. 3,75,00,000/- (Rupees Three Crore Seventy Five Lakhs). Investment by the Company in ABL will be made in a phased manner and will be completed in a period of 18 months from the date of Board meeting (i.e. from April 22, 2017).
- ii. Investment by way of subscription / purchase of shares of Palm Techno Ventures Enzyme Sdn Bhd ("PTVE"), Malaysia upto RM 200,000 (i.e. in Malaysia Currency) (upto 80% of the paid up share capital of PTVE and the remaining 20% shall be held by its existing shareholders based in Malaysia). The said investment is expected to be completed by end of June 2017. Upon such investment PTVE shall become subsidiary of the Company.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/CFD/CMD/4/2015 dated on 9th September, 2015 in relation to investment of the Company in ABL and PTVE are provided in Annexure A and Annexure B (respectively) to this letter.

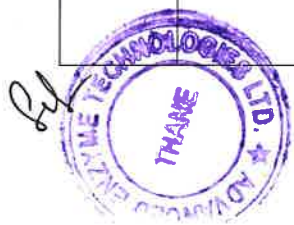


Annexure A

| Sr. No. | Particulars | Status / Remarks |
|---------|--|--|
| a) | Name of the target entity, details in brief such as size, turnover etc.; | <p>Advanced Biodiesel Ltd. (ABL) [CIN: U74999MH2017PLC291474] having its registered office at Unit No. 30, Old Unique Industrial Estate, Mulund (W), Mumbai – 400 080</p> <p>Date of Incorporation: 21/02/2017</p> <p>Turnover: Nil (ABL is yet to commence the Operations)</p> <p>Present Paid-up share capital: Rs. 1,00,000 (i.e. 10,000 equity shares of Rs. 10 each)</p> |
| b) | <p>Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired?</p> <p>If yes, nature of interest and details thereof and whether the same is done at “arm’s length”</p> | <p>The said investment of the Company in ABL would fall within related party transaction and the Promoter / Promoter group is interested in ABL.</p> <p>One of the Directors of ABL is Immediate Relative of two Promoters / Directors of the Company.</p> <p>Subject to provisions of the Companies Act, 2013 (‘Act’), other applicable laws and the valuation report of the registered valuer, if required under the provisions of the Act, the contemplated transaction / investment in ABL will be done at face value of equity shares as it’s a new company and is on arm’s length basis. The investment is in the best interest of the Company and its shareholders.</p> <p>The Promoter / Promoter Group may also invest in the equity shares of ABL in a phased manner, at a price not less than the price / valuation at which the Company will invest.</p> |
| c) | Industry to which the entity being acquired belongs | Biodiesel (business of manufacturing of biodiesel using enzymatic route) |



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| d) | Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity) | To scale up and demonstrate the use / application of Company's products (i.e. enzymes) in the manufacturing of Biodiesel and thereby expand its business. |
| e) | Brief details of any governmental or regulatory approvals required for the acquisition | No such approval is required |
| f) | Time period for completion of the acquisition | Investment by the Company in ABL will be made in a phased manner and will be completed in a period of 18 months from the date of Board meeting (i.e. from April 22, 2017) |
| g) | Nature of consideration | Cash |
| h) | Cost of acquisition or the price at which the shares are acquired | The total cost of investment of the Company in ABL, in a phased manner, will not exceed Rs. 3,75,00,000 |
| i) | Percentage of shareholding / control acquired and / or number of shares acquired | The Company shall invest in equity shares of ABL in a phased manner by way of acquisition or subscribing to shares as may be issued by ABL, from time to time. The total investment shall not exceed 15% of the paid up share capital of ABL, post such fresh issue. |
| j) | Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief); | <p>ABL is incorporated on 21/02/2017 in India. ABL was converted from private company to public company on 20/04/2017.</p> <p>Any other country in which ABL has presence - Nil</p> <p>ABL will undertake the business of manufacturing of biodiesel using enzymatic route and is yet to commence the business operations.</p> |



Annexure B

| Sr. No. | Particulars | Status / Remarks |
|---------|---|--|
| a) | Name of the target entity, details in brief such as size, turnover etc.; | Name: Palm Techno Ventures Enzyme Sdn Bhd (PTVE) Date of Incorporation: May 09, 2016 Turnover: NIL Present Authorised share capital: RM 400,000 (Malaysia currency) Present paid-up share capital: RM 50,000 |
| b) | Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length" | PTVE is not a related party of the Company. None of promoter/promoter group/group companies have any interest in PTVE. |
| c) | Industry to which the entity being acquired belongs | Supplying and providing enzyme based solutions for extraction of palm oil from palm fruits. |
| d) | Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity) | For expansion of business of the Company in Malaysian market. |
| e) | Brief details of any governmental or regulatory approvals required for the acquisition | ODI related compliances with RBI and other approvals, if any, of the authorities in Malaysia. |
| f) | Time period for completion of the acquisition | Is expected to be completed by end of June 2017. |
| g) | Nature of consideration | Cash |
| h) | Cost of acquisition or the price at which the shares are acquired | The total investment of the Company in shares of PTVE will not exceed RM 200,000. |
| i) | Percentage of shareholding / control acquired and / or number of shares acquired | 80% of the paid-up share capital of PTVE and consequently PTVE shall become subsidiary of the Company. |



| | | |
|----|---|---|
| j) | Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief); | <p>Date of Incorporation: May 09, 2016</p> <p>Country of Incorporation: Malaysia</p> <p>Any other country in which PTVE has presence - NIL</p> <p>Turnover: NIL</p> <p>The business of PTVE shall be supplying and providing enzyme based solutions for extraction of palm oil from palm fruits.</p> <p>Subject to the provisions of the applicable laws, the Company may also extend financial support in the form of loan to PTVE, in one or more tranches, to the extent of Rs. 4,50,00,000 (Rupees Four Crore Fifty Lakhs) which will be repaid alongwith interest at the prevailing market rate, as per mutually agreed terms.</p> |
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This is for your information and for public at large.

Thanking you,

Yours Faithfully,
For Advanced Enzyme Technologies Limited




Sanjay Basantani
Company Secretary and Head - Legal
(Membership No. A19637)