

INDEPENDENT AUDITOR'S REPORT

To the Members of Nature Bio-Foods Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Nature Bio-Foods Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report (Refer Annexure 'A'). We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report including annexures but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



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Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for audit of the standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.



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- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under subclause (iv)(a) and (iv)(b) above, contain any material mis-statement.
 - v. The Company has neither declared nor paid any dividend during the year.
 - vi. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.



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3. In our opinion and according to information and explanations given to us, the remuneration paid and provided by the Company to its directors during the year is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Rahul Aggarwal
Partner
Membership No. 505676
UDIN: 24505676BKGPQE9528

Place: Gurugram
Date: May 17, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NATURE BIO-FOODS LIMITED

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For M S K A & Associates
Chartered Accountants

ICAI Firm Registration No. 105047W



Rahul Aggarwal

Partner

Membership No. 505676

UDIN: 24505676BKGPE9528

Place: Gurugram

Date: May 17, 2024

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NATURE BIO-FOODS LIMITED

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Nature Bio-Foods Limited on the Standalone Financial Statements for the year ended March 31, 2024]

- i.
 - (a)
 - A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-Use assets.
 - B. The Company has maintained proper records showing full particulars of Intangible assets.
 - (b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible assets. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in clause 3(i)(e) of the Order are not applicable to the Company.
- ii.
 - (a) The inventory (except for goods in transit) has been physically verified by the management during the year. In our opinion, the frequency of verification, the coverage and procedure of such verification is reasonable and appropriate having regard to the size of the Company and nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from Banks or Financial institutions on the basis of security of current assets and moveable fixed assets. The quarterly revised returns and statements filed by the Company with such banks and financial institutions on aggregate basis are, except for few



immaterial differences, in agreement with the unaudited books of account of the Company. Also refer Note 41 to the standalone financial statements.

iii.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has provided advances in the nature of loans to any other entities during the year:

(A) No loans or advances in the nature of loans or guarantee or security has been given to the subsidiaries. Further, the Company does not have any joint venture or associate.

(B) According to the information and explanations given to us, in relation to entities other than subsidiaries, the Company has not provided advances in the nature of loans, except advance paid to suppliers against procurement of material amounting to Rs. 104.18 lakhs during the year, which got settled against supply of such material within a period of 128 days. These advances have been adjusted against procurement of material during the year and the corresponding balance outstanding as at March 31, 2024 is Rs. 90 lakhs (March 31, 2023: Nil).

(b) According to the information and explanations given to us and based on the audit procedures performed by us, regarding advances against supply of material (advances in the nature of loans) granted by the Company to other entities during the year, considering interdependence between various factors which are proprietary in nature including period of advance and its impact on pricing, if any, availability of wide variety of similar material and volumes, we are unable to comment whether the terms and conditions of such advances are prima facie prejudicial to the interest of the Company.

(c) According to the information and explanations provided to us, the supplier advances (advances in the nature of loans) are granted interest-free and delivery terms are specified in the agreement against each advance given.

(d) There are no amounts overdue for more than ninety days in respect of advances in nature of loan.

(e) According to the information and explanations provided to us, the advances in the nature of loan granted have fallen due during the year. As mentioned in clause (a) above, the suppliers' advances were settled within a period of 128 days which is generally beyond the normal supply terms and constitute most of the population of such advances during the year.

(f) According to the information and explanations provided to us, the Company has granted advances in the nature of loans during the year. These are not repayable on demand/have stipulated delivery terms. Hence, the requirements under clause 3(iii)(f) of the Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, accordingly provisions of Section 185 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act.



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- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.
- vi. The provisions of sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.
- vii.
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance and income tax, though there has been slight delay in few cases, and is regular in depositing undisputed statutory dues including goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities during the year.
- There are no undisputed amounts payable in respect of aforementioned statutory dues as at March 31, 2024 which are outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the details of statutory dues referred to in sub-clause (a) above which has not been deposited as at March 31, 2024, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (in INR Lakhs)	Amount Paid Rs.	Unpaid Dispute (in INR Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax demand	5.15	NIL	5.15	A.Y. 2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Penalty	0.08	NIL	0.08	A.Y. 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax demand	4.49	NIL	4.49	A.Y. 2018-19	Assessing officer(AO)
Income Tax Act, 1961	Penalty	1.00	NIL	1.00	A.Y. 2013-14	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income tax assessments of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.



ix.

- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures performed, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, no money raised by way of term loans during the year. Accordingly, the provisions stated under clause 3(ix)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not hold any investment in joint venture, or associate (as defined under the Act) during the year ended March 31, 2024.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x.

- (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.

xi.

- (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.



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- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv.
- (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports issued by internal auditors during the audit.
- xv. According to the information and explanations given to us, in our opinion, the Company has not entered into non-cash transactions with directors or persons connected with its directors during the year and hence, provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the provisions stated in clause 3(xv) of the Order are not applicable to the Company.
- xvi.
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core investment Company (“CIC”) as defined in the regulations made by Reserve Bank of India. Accordingly, the reporting under clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the Order are not applicable to the Company.

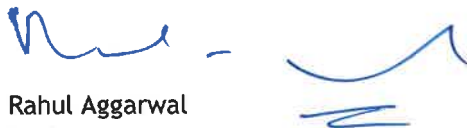


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- xvii. Based on the overall review of the standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and based on our examination of financial ratios (as disclosed in Note 36 to the standalone financial statements), ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, the provisions of Section 135 of the Act, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the Act. Accordingly, the reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Rahul Aggarwal
Partner
Membership No. 505676
UDIN: 24505676BKGPQE9528

Place: Gurugram
Date: May 17, 2024

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NATURE BIO-FOODS LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Nature Bio Foods Limited on the Standalone Financial Statements for the year ended March 31, 2024.]

Report on the Internal Financial Controls with reference to Standalone Financial Statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Nature Bio-Foods Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Rahul Aggarwal
Partner
Membership No. 505676
UDIN: 24505676BKGPQE9528

Place: Gurugram
Date: May 17, 2024


Nature Bio-Foods Limited
Standalone Balance sheet as at March 31, 2024

	Notes	March 31, 2024 (Rs. In Lakhs)	March 31, 2023 (Rs. In Lakhs)
ASSETS			
Non-current assets			
Property, plant and equipment	4	3,825.19	4,348.36
Capital work-in-progress	4	709.64	8.00
Right of use assets	5	385.63	458.75
Intangible assets	6	1.10	0.72
Financial assets			
i) Investments	7 (a)	3,004.97	3,013.98
ii) Loans	7 (b)	210.41	648.13
iii) Other financial asset	7 (c)	30.86	25.04
Deferred tax assets (net)	8	402.01	465.00
Other non-current assets	9	240.75	39.36
Total non-current assets		8,810.56	9,007.34
Current assets			
Inventories	10	22,885.84	23,893.34
Financial assets			
i) Trade receivables	7 (d)	5,461.83	6,521.48
ii) Cash and cash equivalents	7 (e)	101.97	48.27
iv) Other financial assets	7 (c)	379.16	130.92
Other current assets	11	965.64	876.55
Total current assets		29,794.44	31,470.56
Total assets		38,605.00	40,477.90
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	242.42	200.10
Other equity			
Equity component of compound financial instrument	13 (a)	-	3,952.90
Reserves and surplus	13 (b)	23,922.67	13,754.09
Total equity		24,165.09	17,907.09
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	14 (a)	-	3,586.63
ii) Lease Liabilities	14 (b)	424.35	488.53
Provisions	16	125.15	174.99
Total non-current liabilities		549.50	4,250.15
Current liabilities			
Financial liabilities			
i) Borrowings	14 (a)	6,696.24	5,995.06
ii) Lease Liabilities	14 (b)	69.54	53.44
iii) Trade payables			
a) total outstanding dues of micro and small enterprises	14 (c)	217.42	43.64
b) total outstanding dues other than (iii) (a) above	14 (c)	5,265.71	8,744.95
iv) Other financial liabilities	14 (d)	150.76	529.74
Provisions	16	49.89	24.73
Current tax liabilities	17 (a)	181.31	6.37
Other current liabilities	17	1,259.54	2,922.73
Total current liabilities		13,890.41	18,320.66
Total liabilities		14,439.91	22,570.81
Total equity and liabilities		38,605.00	40,477.90

The accompanying notes are an integral part of the Standalone financial statements.



This is the Standalone Balance Sheet referred to in our report of even date.

For M S K A & Associates Chartered Accountants
Firm Registration Number : 105047W


Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram
Date : May 17, 2024

For and on behalf of the Board of Directors
Nature Bio-Foods Limited

 
Surinder Kumar Arora Ashwani Kumar Arora
Director Director
DIN No. 01574728 DIN No. 01574773

Place: Gurugram
Date : May 15, 2024

Place: Gurugram
Date : May 15, 2024

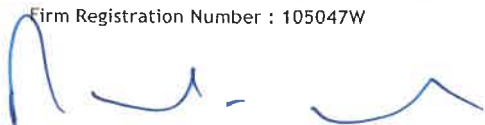
Nature Bio-Foods Limited
Statement of Standalone Profit and Loss for the year ended March 31, 2024

Particulars	Notes	Year ended March 31, 2024 (Rs. In Lakhs)	Year ended March 31, 2023 (Rs. In Lakhs)
Income			
Revenue from operations	18	46,329.37	40,650.69
Other income and other gains	19	457.18	829.37
Total income		46,786.55	41,480.06
Expenses			
Cost of materials consumed	20	28,119.75	27,023.07
Purchase of stock-in-trade		1,272.39	2,487.91
Changes in inventories of finished goods, semi finished goods and traded goods	21	2,208.46	(2,231.72)
Employee benefit expense	22	1,862.74	1,629.27
Finance costs	23	517.82	862.50
Depreciation and amortisation expense	24	1,227.27	1,168.96
Other expenses	25	8,711.91	8,676.26
Total expenses		43,920.34	39,616.25
Profit before tax		2,866.21	1,863.81
Income tax expense	27		
- Current tax		862.74	683.41
- Deferred tax	8	(88.71)	(92.54)
Total Tax expense		774.03	590.87
Profit for the year		2,092.18	1,272.94
Other Comprehensive Income			
<u>1. Items that will not be reclassified to profit or loss:</u>			
Remeasurement of post employment benefit obligations {Gain / (Loss)}	15	32.45	(29.14)
Income tax relating to these items	8	(8.17)	7.33
<u>2. Items that will be reclassified to profit or loss:</u>			
Profit/ (Loss) on cashflow hedge reserve		570.32	(745.64)
Income tax relating to these items		(143.54)	187.66
Other comprehensive income/(loss) for the year, net of tax		451.06	(579.79)
Total comprehensive income for the year		2,543.24	693.15
Earnings per equity share of Rs. 10 each :	26		
Basic (Rs.)		89.82	48.98
Diluted (Rs.)		89.82	48.98

The accompanying notes are an integral part of the Standalone financial statements.

This is the Statement of profit and Loss referred to in our report of even date

For M S K A & Associates Chartered Accountants
Firm Registration Number : 105047W



Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram
Date : May 17, 2024

For and on behalf of the Board of Directors
Nature Bio-Foods Limited



Surinder Kumar Arora
Director
DIN No. 01574728

Place: Gurugram
Date : May 15, 2024



Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : May 15, 2024

Nature Bio-Foods Limited
Statement of Standalone Cash Flow For the Year ended March 31, 2024

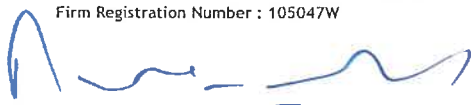
	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax	2,866.21	1,863.81
Adjustment for:		
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	1,227.27	1,168.96
Interest income	(34.61)	(271.93)
Unrealised gain on foreign currency transaction	(15.46)	(81.61)
Loss/(profit) on sale of property, plant & equipments (net)	(1.02)	(13.38)
Provision for Employee benefits	90.07	49.20
Interest on Income tax refund	-	(25.46)
Finance cost	517.82	862.50
Operating profit before change in operating assets & liability	4,650.28	3,552.09
Adjustment for (increase)/decreases in operating assets		
Trade receivables	1,075.85	(2,003.48)
Inventories	1,007.49	(4,511.32)
Other current financial assets	(56.89)	268.02
Other non current financial assets	(5.80)	3,133.05
Other assets	(290.49)	(363.55)
Adjustment for increase/(decreases) in operating liabilities		
Trade payables	(3,306.21)	2,412.10
Other financial liabilities	(10.10)	60.84
Other current liabilities	(1,663.19)	381.29
Provisions	(82.31)	(34.61)
Cash generated from operations	1,318.62	2,894.43
Direct taxes paid (net of refunds)	687.80	222.32
Net cash generated from operating activities	630.82	2,672.11
B. Cash flow from investing activities		
Purchase of property, plant equipment and intangible assets (including capital work-in-progress)	(1,383.42)	(1,278.35)
Sale proceeds from property, plant and equipment	51.52	32.96
Interest received	44.64	271.92
Proceeds from maturity of investment	9.01	-
Investment in equity shares of subsidiary Company	-	(1,499.96)
Net cash used in investing activities	(1,278.25)	(2,473.43)
C. Cash flow from financing activities		
Proceeds from Long term loan	437.71	-
Repayment of Long term loan (net)	(8.09)	(38.48)
Proceeds of packing credit loan (net)	701.18	238.19
Payment towards lease liability	(102.92)	(95.82)
Bank Charges	(28.25)	(22.10)
Interest paid	(298.50)	(313.53)
Net cash generated from financing activities	701.13	(231.74)
Net increase in cash and cash equivalents	53.70	(33.06)
Cash and cash equivalents at the beginning of the year	48.27	81.33
Cash and cash equivalents at the end of the year	101.97	48.27
Cash and cash equivalents comprises:		
Cash on hand	1.01	0.78
Balances with the banks:		
- in current accounts	100.96	47.49
	101.97	48.27
Non-cash financing and investing activities		
Conversion Of Debt into Equity shares	3,714.77	-

Refer Note 14(a) for reconciliation of movements of liabilities to cash flows arising from financing activities.

The accompanying notes are an integral part of the Standalone financial statements.

This is the cash flow statement referred to in our report of even date

For M S K A & Associates Chartered Accountants
Firm Registration Number : 105047W



Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram
Date : May 17, 2024

For and on behalf of the Board of Directors
Nature Bio-Foods Limited



Surinder Kumar Arora
Director
DIN No. 01574728

Place: Gurugram
Date : May 15, 2024



Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : May 15, 2024

Nature Bio-Foods Limited
Statement of Standalone Changes in Equity for the year ended March 31, 2024

a) Equity share capital

	Notes	Rs. in Lakhs
As at April 01, 2022	12	200.10
Add: Shares issued during the year		-
As at March 31, 2023	12	200.10
Add: Shares issued during the year		42.32
As at March 31, 2024	12	242.42

b) Other equity

	Notes	Retained Earnings	Securities Premium	Equity component of compound financial instrument	Cash Flow Hedging Reserve	Total
Balance as at April 01, 2022	13	12,774.08	4.90	3,952.90	281.96	17,013.84
Profit for the year		1,272.94	-	-	-	1,272.94
Items of other comprehensive income for the year :-						
Remeasurement of defined benefit obligations (net of tax)		(21.81)	-	-	-	(21.81)
Loss on cash flow hedge (net of tax)		-	-	-	(557.98)	(557.98)
Total comprehensive income for the year		1,251.13	-	-	(557.98)	693.15
Balance as at March 31, 2023	13	14,025.21	4.90	3,952.90	(276.02)	17,706.99
Balance as at April 01, 2023		14,025.21	4.90	3,952.90	(276.02)	17,706.99
Profit for the year		2,092.18	-	-	-	2,092.18
Items of other comprehensive income for the year :-						
Remeasurement of defined benefit obligations (net of tax)		24.28	-	-	-	24.28
Profit on cash flow hedge (net of tax)		-	-	-	426.78	426.78
Total comprehensive income for the year		2,116.46	-	-	426.78	2,543.24
Issue of equity shares		-	7,625.34	(3,952.90)	-	3,672.44
Balance as at March 31, 2024		16,141.67	7,630.24	-	150.76	23,922.67

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For M S K A & Associates Chartered Accountants
Firm Registration Number : 105047W



Rahul Aggarwal
Partner
Membership Number: 505676

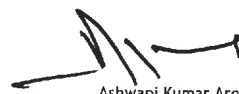
Place: Gurugram
Date: May 17, 2024

For and on behalf of the Board of Directors
Nature Bio-Foods Limited



Surinder Kumar Arora
Director
DIN No. 01574728

Place: Gurugram
Date: May 15, 2024



Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date: May 15, 2024

Nature Bio Foods Limited

Summary of material accounting policies for the year ended March 31, 2024

1. General Information

Nature Bio Foods Limited ('the Company') (CIN-U15134DL2005PLC143017) was incorporated on November 25, 2005 under the provisions of erstwhile Companies Act, 1956. The Company is a subsidiary of LT Foods Limited, a listed company incorporated in India.

The Company is in the business of milling, processing and marketing of branded and non-branded organic basmati rice and manufacturing of organic rice food products in the domestic and overseas market. Its operations include procurement, storage, processing, packaging and distribution of food products.

2. Material accounting policies

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

(i) Basis of Preparation of Financial Statements

a. Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

b. Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- Defined benefit plans - plan assets measured at fair value.

c. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle*,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non current liabilities, as the case may be.



Nature Bio Foods Limited

Summary of material accounting policies for the year ended March 31, 2024

*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

d. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(ii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Company has identified its Whole Time Directors as Chief Operating Decision Maker (CODM), who assesses the financial performance of the Company and makes strategic decisions.

The Company has structured its operations into the following two segments:

Rice: Organic rice marketing and traded by the Company.

Others: Organic oilseeds, organic pulses, organic flour, organic oil, organic nuts, organic spices and herbs, organic millets, etc. traded by the Company.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/ expenses/ assets / liabilities".

(iii) Foreign currency transactions

Effective April 01, 2018, the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment is insignificant.

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.



Nature Bio Foods Limited

Summary of material accounting policies for the year ended March 31, 2024

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iv) Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The Company recognizes revenue when it transfers control of a product or service to a customer.

Sale of goods:

Revenue from sale of goods is recognized when it transfers control of the product to a customer i.e. when customers are billed (in case of ex-works) or when goods are delivered at the delivery point, as per terms of the agreement, which could be either customer premises or carrier premises who will deliver goods to the customer. When payments received from the customers exceed revenue recognized to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities.

Customer has a right to return for defective goods. Since the quantity of goods returned has been minimal for years, it is highly probable that a significant reversal in the cumulative revenue recognized will not occur.

In order to determine if it is acting as a principal or as an agent, the Company assesses whether it has exposure to the significant risks and rewards associated with the rendering of logistics services. Revenue from rendering of logistic services provided to its customer after the transfer of control of underlying goods is recognized on net basis i.e. after deducting the amount contractually payable to transporters out of the total consideration received and is recognized once the facilitation of such service is done as the Company does not assume any performance obligation.

Satisfaction of performance obligations:

The Company's revenue is derived from the single performance obligation to transfer primarily Soyabean, Oilseeds and other products under arrangements in which the transfer of control of the products and the fulfillment of the Company's performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognized when the Company transfers control at the point in time the customer takes undisputed delivery of the goods.

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.



Nature Bio Foods Limited

Summary of material accounting policies for the year ended March 31, 2024

Payment terms:

The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 30 to 60 days. No element of financing is deemed present as the sales are made with a credit term of 60 days, which is consistent with market practice.

(v) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(vi) Leases

Where the Company is the lessee

Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company enters into leasing arrangements for various assets. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company obtains substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.



Nature Bio Foods Limited

Summary of material accounting policies for the year ended March 31, 2024

Recognition and initial measurement

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the Standalone balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in standalone statement of profit and loss on a straight-line basis over the lease term.

(vii) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Impairment losses of continuing operations are recognized in the Statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(viii) Investments in subsidiaries:

Investment in subsidiaries are carried at cost less provision for impairment, if any. Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicated that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of investments exceeds its recoverable amount.



Nature Bio Foods Limited

Summary of material accounting policies for the year ended March 31, 2024

(ix) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(x) Trade receivables

Trade receivables are recognised initially amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. Trade receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(xi) Inventories

Raw materials and stores, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are valued at lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. The cost of finished goods and work in progress comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is determined on the basis of

the 'Weighted average method'. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Provision for inventory obsolescence is made based on the best estimates of management. Stores and spares having useful life of more than twelve months are capitalized as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

(xii) Financial Instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.



Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. **Financial assets at amortized cost** - a financial instrument is measured at amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method.

- ii. **Investments in equity instruments of subsidiaries** - Investments in equity instruments of subsidiaries are accounted for at cost less accumulated impairment in accordance with Ind AS 27- Separate Financial statements.

- iii. **Financial assets at fair value**

- Investments in equity instruments other than above - All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- Derivative assets - All derivative assets are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from assets have expired or the Company has transferred its rights to receive cash flows from the asset. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial asset is derecognized, the cumulative gain or loss in equity is transferred to the statement of profit and loss.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortized cost using the effective interest method.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortization is included as finance costs in the Statement of Profit and Loss.

Derivative liabilities - All derivative liabilities are measured at fair value through profit and loss (FVTPL).



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Summary of material accounting policies for the year ended March 31, 2024

De-recognition of financial liabilities

The Company de-recognises financial liabilities when and only when, the Company obligations are discharged, cancelled or they expire. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial liability is derecognized, the cumulative gain or loss in equity is transferred to the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

- The Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. The Company computes ECL based on a provision matrix.

- **Other financial assets:**
In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

(xiii) Derivatives and hedging activities

a) Hedge accounting policy

Initial and subsequent measurement

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency risks and non-derivative financial liabilities to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a



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Summary of material accounting policies for the year ended March 31, 2024

derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Foreign currency risk of non-derivative financial liabilities used for hedging is measured using spot rates.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows

attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Any gains or losses arising from changes in the fair value of derivatives and change in foreign currency risk component of non-derivative financial liabilities are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in Other Comprehensive Income ("OCI") and later reclassified to profit or loss when the hedged item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk associated with recognized assets/liabilities in the standalone financial statements.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).



b) Embedded Derivatives

Derivatives embedded in host contract are separated only if economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(xiv) Derecognition Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency.

(xv) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, taxes (against which input has not been availed), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognized in Statement of Profit or Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation is recognised so as to write off the cost of assets less their residual values over the useful lives, using the written down value method. For certain assets, the useful life has been considered as prescribed under Schedule II of the Companies Act, 2013 and for the remaining assets the useful life have been determined by the management basis on technical evaluation considering the nature of assets.

Estimated useful life as given below:

Class of Property, plant and equipment	Useful life
Buildings	15/10/2
Plant and Machinery	6/5/3
Office Equipment	6/3
Furniture and fixtures	5/10
Vehicles	5
Computers	5/1
Lab Equipments	15

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.



De-recognition

An item of Property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognized.

(xvi) Intangible Assets:

Intangible assets being Computer software are stated at their cost of acquisition net of accumulated amortisation and accumulated impairment loss, if any.

Intangible assets are amortised on a written down basis over their estimated useful lives which has been considered as 3 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss arising from derecognition of an intangible asset shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It shall be recognised in profit or loss when the asset is derecognised.

(xvii) Capital Work in Progress

Capital work in progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises purchase cost, related acquisition expenses and other direct expenses.

(xviii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(xix) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial



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liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

(xx) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

(xxi) Compound Financial Instruments

Cumulative compulsorily convertible preference shares (CCCPS) are separated into liability and equity component based on the terms of the contract. On issuance of CCCPS, the fair value of the liability component is determined using a fair valuation principle as stated in IND AS 109. This amount is classified as financial liability measured at amortised cost until it is extinguished on redemption. The remainder of the proceeds is allocated to the benefit derived by the Company for obtaining the loan at below the market rate of interest and is recognized in equity. The carrying amount of such equity is not re-measured in subsequent years. Refer note 14(a) for details of the CCCPS.

(xxii) Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.



(xxiii) Retirement and other employee benefits

Defined Contribution plan

Retirement benefit in the form of provident fund, employees' state insurance and labour welfare fund are a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognized directly in the other comprehensive income in the period in which they arise. Gratuity fund is administered through PNB Met Life.

Other Employee Benefits

Compensated absences which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date out of which the obligations are expected to be settled with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to Statement of profit and loss in the period in which they occur. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

(xxiv) Earnings per share (EPS)

a. Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit or loss for the period attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, if any.



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Summary of material accounting policies for the year ended March 31, 2024

b. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(xxv) Fair value measurement

The Company measures financial instruments, such as derivatives and certain investments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

(xxvi) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xxvii) Rounding off

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.



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Summary of material accounting policies for the year ended March 31, 2024

3. Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the standalone financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- a) **Defined benefit obligation (DBO)** - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- b) **Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- c) **Contingent liabilities** - The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.
- d) **Inventory** - The valuation of finished rice involves estimations around determination of overhead absorption rates, rice yield from paddy and quantum of purchased rice and manufactured rice forming part of closing inventory. The production process also involves ageing the paddy/ rice to achieve the desired quality of rice and thus calculation of holding period and determination of weighted average borrowing cost involves management estimation. Further, management estimates the net realisable values of inventories including by- products, taking into account the most reliable evidence available at each reporting date.



Note 4 : Property, plant and equipment

(Rs. In Lakhs)

Description	Building (Refer note vi below)	Plant and machinery	Furniture and fixture	Vehicles	Office equipment	Computers	Lab Equipments	Total
Gross carrying amount								
As at April 01, 2022	3,036.14	3,129.89	158.31	451.07	402.60	113.73	28.58	7,320.31
Additions during the year	453.85	843.91	0.32	12.48	61.39	20.36	-	1,392.31
Disposals during the year	(73.84)	(4.56)	-	(47.74)	-	-	-	(126.14)
Reclassification	186.09	(158.13)	1.47	(19.99)	(15.26)	10.92	(5.10)	-
As at March 31, 2023	3,602.24	3,811.11	160.10	395.81	448.73	145.01	23.48	8,586.48
Accumulated depreciation								
As at April 01, 2022	1,471.26	971.58	119.02	284.19	300.73	98.91	14.43	3,260.12
Depreciation charge during the year	390.08	578.02	10.35	50.29	55.82	-	-	1,084.56
Disposals during the year	(64.30)	(0.30)	-	(41.96)	-	-	-	(106.56)
Reclassification	87.35	(96.33)	1.11	(15.99)	(0.49)	20.95	3.39	-
As at March 31, 2023	1,884.39	1,452.97	130.49	276.53	356.06	119.86	17.82	4,238.12
Net carrying amount	1,717.85	2,358.14	29.61	119.28	92.68	25.15	5.66	4,348.36
Gross carrying amount								
As at April 01, 2023	3,602.24	3,811.11	160.10	395.81	448.73	145.01	23.48	8,586.48
Additions during the year	192.50	391.92	5.14	13.44	78.13	-	-	681.13
Disposals during the year	-	(55.15)	-	-	(20.73)	-	-	(75.88)
As at March 31, 2024	3,794.74	4,147.88	165.24	409.25	506.13	145.01	23.48	9,191.73
Accumulated depreciation								
As at April 01, 2023	1,884.39	1,452.97	130.49	276.53	356.06	119.86	17.82	4,238.12
Depreciation charge during the year	378.66	651.74	8.64	39.86	74.89	-	-	1,153.79
Disposals during the year	-	(7.17)	-	-	(18.20)	-	-	(25.37)
As at March 31, 2024	2,263.05	2,097.54	139.13	316.39	412.75	119.86	17.82	5,366.54
Net carrying amount	1,531.69	2,050.34	26.11	92.86	93.38	25.15	5.66	3,825.19

Capital work-in-progress	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress	709.64	8.00
Movement in capital work in progress:		
As at April 01, 2022		137.25
Add: Additions during the year		8.00
Less: Capitalization during the year		(137.25)
As at March 31, 2023		8.00
Add: Additions during the year		709.64
Less: Capitalization during the year		(8.00)
As at 31 March 31, 2024		709.64

Note: Capital work-in-progress mainly comprises of plant and machinery and Building etc.

Ageing of Capital work in progress is as below:

As at March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	709.64	-	-	-	709.64
Project temporarily Suspended	-	-	-	-	-

As at March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	8.00	-	-	-	8.00
Project temporarily Suspended	-	-	-	-	-

(i) Refer to note 37 for information on property, plant and equipment pledged as security by the Company.

(ii) Refer to note 33(a) for disclosure of contractual commitments for acquisition of property, plant and equipment.

(iii) Details of depreciation expense are stated in Note 24 on Depreciation and amortisation expense.

(iv) Deletions during the year include assets transferred to Subsidiary Company amounting to Rs. 4.61 lakhs as stated in Note 34.

(v) Additions during the year include assets transferred from Subsidiary Company to Rs 10.77 lakhs as stated in Note 34.

(vi) Building includes leasehold development of structures (Temporary & Permanent) constructed on leasehold and being amortised over the lower of construction life or life of leasehold land. Net carrying amounts to Rs. 1,485.54 lakhs (Rs. 1633.49 lakhs March 31, 2023)

(vii) During the year, the Company has not revalued its property plant and equipment, Right of use asset and Intangible assets during the current and previous year.



Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 5 : Right of use assets

Following are the changes in the carrying value of right to use of the assets:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	458.75	215.31
Additions	-	327.48
Depreciation	(73.12)	(84.04)
Net Carrying Value	385.63	458.75

Carrying amount of Right of use of assets:

Particulars	As at March 31, 2024	As at March 31, 2023
Land	210.29	181.94
Building	175.34	276.81
Total	385.63	458.75

a. Nature of Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right to use	Land	Building
Number of right-of-use assets leased	1	4
Range of remaining lease term	1 to 319 months	1 to 50 months
Average of remaining lease term	319 months	40 months
No. of lease with extension option	-	-
No. of lease with purchase option	-	-
No. of lease with variable payments linked to an index	-	-
No. of lease with termination option	1	4

The following is the movement in lease liability during the year :

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	541.97	256.34
Additions	-	327.49
Finance cost accrued there on	54.84	53.96
Deletions	-	-
Payment of lease liability	(102.92)	(95.82)
Balance at the end	493.89	541.97

The following is the breakup of Current and Non Current lease liabilities :

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities (Refer note 14 (b))	69.54	53.44
Non Current lease liabilities (Refer note 14 (b))	424.35	488.53

The maturity analysis of lease liabilities are disclosed in Note 29.

The following are the amounts recognised in profit or loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of right-of-use assets	73.12	84.05
Interest expense on lease liabilities	54.84	53.96
Total	127.96	138.01



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Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 6 : Intangible assets

(Rs. In Lakhs)

Particulars	Computer Software	Total
Year ended March 31, 2023		
Gross carrying amount		
Opening gross carrying amount	13.30	13.30
Additions during the year	-	-
Disposals during the year	-	-
Closing gross carrying amount	13.30	13.30
Opening accumulated amortisation	12.23	12.23
Amortisation charge during the year	0.35	0.35
Disposals during the year	-	-
Closing accumulated depreciation	12.58	12.58
Closing net carrying amount	0.72	0.72
Year ended March 31, 2024		
Gross carrying amount		
Opening gross carrying amount	13.30	13.30
Additions during the year	0.74	0.74
Disposals during the year	-	-
Closing gross carrying amount	14.04	14.04
Opening accumulated amortisation	12.58	12.58
Amortisation charge during the year	0.36	0.36
Disposals during the year	-	-
Closing accumulated depreciation	12.94	12.94
Closing net carrying amount	1.10	1.10

Note :

- (i) Details of amortisation expense are stated in Note 24 on Depreciation and amortisation expense.
- (ii) There is no intangible asset under development.



Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 7 : Financial Assets

7 (a) Non-current Investments	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Investment in equity instruments (fully paid up)		
Subsidiaries:		
47,50,918 (March 31, 2023: 47,50,918) equity shares of Ecopure Specialities Limited, India	3,004.96	3,004.96
10 (March 31, 2023 : 10) equity shares of Nature Bio Foods BV, Netherland	0.01	0.01
Total (equity Instruments)	3,004.97	3,004.97
Investments at fair value through statement of profit & loss		
Keyman insurance policy	-	9.01
Total non current investments	3,004.97	3,013.98
Aggregate amount of quoted investments and market value there of	-	-
Aggregate amount of unquoted investments; and	3,004.97	3,004.97
Aggregate amount of impairment in value of investments	-	-

Note(i): During the last year, the Company had invested 1,499.96 lakhs in Equity Share of Ecopure Specialities limited (Wholly owned Subsidiary), at Rs. 132.8 per share.

7 (b) Loans	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Loan to Subsidiary	210.41	648.13
Total Loans	210.41	648.13
Break-up of security details		
Loans considered good- Secured	-	-
Loans considered good- Unsecured	210.41	648.13
Loans which have significant increase in credit risk	-	-
Loans- credit impaired	-	-
Total	210.41	648.13
Less: Loss allowance	-	-
Total Loans	210.41	648.13

(a) No loans are due from director, Promoters or other officer of the company either severally or jointly with any other persons other than disclosed above. Further, no loans are due from firms or private companies respectively in which director is partner, director or member other than disclosed above.

7 (c) Other Financial assets	(Rs. In Lakhs)			
	March 31, 2024		March 31, 2023	
	Current	Non Current	Current	Non Current
Security deposits	-	27.86	-	24.05
Derivative assets	201.46	-	-	-
Interest accrued but not due on fixed deposits	0.01	-	-	-
Interest accrued and due on advance to related Party (refer note no 34)	30.91	-	40.95	-
Export Incentive recoverable	146.78	-	83.72	-
Bank deposits*	-	3.00	6.25	-
Derivatives not designated as hedges:				
Derivative component of compound financial instrument	-	-	-	0.99
Total other financial assets	379.16	30.86	130.92	25.04

* Current Bank Deposits represents deposits with maturity of less than 12 months from reporting date.

* Non Current Bank Deposits represents deposits with maturity of more than 12 months from reporting date.



Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Note 7 (d) : Trade receivables		
Trade receivables*	678.58	294.82
Receivables from related parties (refer note 34)	4,783.25	6,226.66
Total Receivables	5,461.83	6,521.48
Break-up of Trade Receivables		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	5,461.83	6,521.48
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	5,461.83	6,521.48
Less: Allowance for doubtful debts	-	-
Total Trade receivables	5,461.83	6,521.48
* Includes receivables from companies in which Director of the Company is also a Director	56.83	-

Ageing as on March 31, 2024	Not Due	Outstanding for following periods: from due date of payment					
		Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Particulars							
Undisputed Trade receivables - Considered Good	4,266.82	1,061.54	62.30	71.17	-	-	5,461.83
Undisputed Trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade receivables - Considered Good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - Credit Impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-
Total	4,266.82	1,061.54	62.30	71.17	-	-	5,461.83

Ageing as on March 31, 2023	Not Due	Outstanding for following periods: from due date of payment					
		Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Particulars							
Undisputed Trade receivables - Considered Good	4,840.44	1,644.26	35.18	1.58	-	-	6,521.48
Undisputed Trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade receivables - Considered Good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - Credit Impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-
Total	4,840.44	1,644.26	35.18	1.58	-	-	6,521.48

	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Note 7 (e): Cash and cash equivalents		
Cash and cash equivalents		
Cash on hand	1.01	0.78
Balances with banks		
- in current accounts	100.96	47.49
	101.97	48.27

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.



Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Note 8 : Deferred tax assets		
On temporary difference between the book base and tax base		
Deferred tax asset arising on account of :		
Provision for employees benefits	44.06	50.27
Property, plant and equipment and intangible assets	381.40	300.95
Lease liabilities	27.25	20.94
Unrealised foreign exchange gain on forward contracts	-	92.84
	<u>452.71</u>	<u>465.00</u>
Deferred tax liability arising on account of :		
Unrealised foreign exchange gain on forward contracts	(50.70)	-
	<u>(50.70)</u>	
Net deferred tax assets*	<u>402.01</u>	<u>465.00</u>

* Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax assets (net)

Particulars	April 01, 2023	Recognised in other comprehensive income	Recognised in statement of profit and loss	March 31, 2024
	Deferred tax assets arising on account of:			
Property, plant and equipment	300.95	-	80.46	381.41
Provision for employees benefits	50.27	(8.17)	1.96	44.06
Lease Assets	20.94	-	6.29	27.23
	<u>372.16</u>	<u>(8.17)</u>	<u>88.71</u>	<u>452.70</u>
Deferred tax liabilities arising on account of:				
Unrealised foreign exchange gain on forward contracts	92.84	(143.54)	-	(50.69)
	<u>92.84</u>	<u>(143.54)</u>	<u>-</u>	<u>(50.69)</u>
Net Deferred tax assets	<u>465.00</u>	<u>(151.71)</u>	<u>88.71</u>	<u>402.01</u>
	April 01, 2022	Recognised in other comprehensive	Recognised in statement of profit and loss	March 31, 2023
Particulars				
Deferred tax assets arising on account of:				
Property, plant and equipment	222.71		78.24	300.95
Provision for employees benefits	39.27	7.33	3.67	50.27
Lease Assets	10.32		10.62	20.94
	<u>272.31</u>	<u>7.33</u>	<u>92.52</u>	<u>372.16</u>
Deferred tax liabilities arising on account of:				
Unrealised foreign exchange gain on forward contracts	(94.82)	187.66	-	92.84
	<u>(94.82)</u>	<u>187.66</u>	<u>-</u>	<u>92.84</u>
Net Deferred tax assets	<u>177.49</u>	<u>194.99</u>	<u>92.52</u>	<u>465.00</u>

	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Note 9 : Other non-current assets		
Capital advances (refer note 33 for capital commitments)	240.75	-
Interest accrued and due on advance for property	-	39.36
	<u>240.75</u>	<u>39.36</u>



Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 10 : Inventories	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Raw materials	14,221.94	13,008.11
Semi Finished Goods	4,968.04	7,610.83
Finished goods [including goods in transit of Rs. 1059.64 lakhs (March 31, 2023 Rs. 1091.73 lakhs)]	2,257.52	1,151.36
Traded goods	727.65	1,399.48
Stores and spares	435.15	313.22
Packing Material	275.54	410.34
Total inventories	22,885.84	23,893.34

Note 11 : Other current assets	March 31, 2024	March 31, 2023
Prepaid expenses	212.42	148.56
Advances to vendors	271.55	192.98
Balance with government authority	406.76	421.70
Others receivables	18.94	62.80
Advance to related parties (refer note 34 & note (i) below)	55.97	50.52
Total other current assets	965.64	876.55

(i) Includes advance to companies in which Director of the Company is also a Director



Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 12 : Equity share capital

	Equity shares		Preference shares	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
Authorised share capital (par value of Rs 10)				
As at April 01, 2022	2,500,000	250.00	2,400,000	240.00
Increase during the year				
As at March 31, 2023	2,500,000	250.00	2,400,000	240.00
Increase during the year	2,400,000	240.00		
Decrease during the year			(2,400,000)	(240.00)
As at March 31, 2024	4,900,000	490	-	-

(i) Movements in equity share capital

	Number of shares	Rs. in Lakhs
Issued, subscribed and paid-up equity share capital (par value of Rs 10)		
As at March 31, 2022	2,001,000	200.10
Add: Shares issued during the year	-	-
As at March 31, 2023	2,001,000	200.10
Add: Shares issued during the year	423,243	42.32
As at March 31, 2024	2,424,243	242.42

Terms and rights attached to equity shares

The Company has issued one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Shares of Company held by its holding company :

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
LT Foods Limited- Holding Company	2,000,000	82.50	2,000,000	99.95

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
LT Foods Limited- Holding Company	2,000,000	82.50%	2,000,000	99.95
India Agri Business Fund II	424,243	17.50%	-	-

(iii) Details of Promoter shareholders holding in the Company as on March 31, 2024.

Name of the Promoter	As at March 31, 2024		As at March 31, 2023		Change	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Mr. Vijay Kumar Arora (Refer note 1)	1	0.00%	1	0.00%	-	(0.00)
Mr. Ashwani Kumar Arora (Refer note 1)	1	0.00%	1	0.00%	-	(0.00)
Mr. Surinder Kumar Arora (Refer note 1)	1	0.00%	1	0.00%	-	(0.00)
Ms. Vandana Arora (Refer note 1)	1	0.00%	1	0.00%	-	(0.00)
Ms. Sakshi Arora (Refer note 1)	1	0.00%	1	0.00%	-	(0.00)
Ms. Ranju Arora (Refer note 1)	1	0.00%	1	0.00%	-	(0.00)
LT Foods Limited	1,999,994	82.50%	1,999,994	100.00%	-	(0.1750)
Total Shares	2,424,243	82.50%	2,000,000	100.00%	-	(0.1750)

Note 1 : Nominee shareholders holding in the company as on March 31, 2024.



Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 13 (a) : Equity component of compound financial instrument

	Rs. in Lakhs	
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	3,952.90	3,952.90
Add : Equity component of financial instrument issue during the year - net of transaction costs	-	-
Transfer to Equity Account (refer note (ii) below)	(3,952.90)	-
Balance at the end of the year	-	3,952.90

Note (i): During the FY 2018-19 the Company issued 2,398,000 numbers of 0.01% Cumulative compulsorily convertible preference shares (CCCPs) having face value of Rs 10 at a premium of Rs 240 through private placement of shares. Out of the total, 2,374,020 CCCPS are subscribed by India Agri Business Fund II Ltd and 23980, CCCPS are subscribed by Real Trust II. CCCPS carries cumulative dividend of 0.01% p.a. CCCPS shall be converted into equity shares and in any event at the expiry of 8 years from the Tranche I completion date. The presentation of the liability, equity and derivative portion of these shares is explained in Note 2(xxi). In the FY 2022-23 Real Trust II has transferred their CCCPS to India Agri Business Fund II.

Note (ii): During the current financial year, the company converted 2,398,000 Compulsorily Convertible Cumulative Preference Shares (CCCPs) into 423,243 equity shares. These equity shares, with a total value of Rs. 42.32 lakhs, were issued to India Agri Business Fund II. The conversion has resulted in an increase in the company's equity share capital by Rs. 42.32 lakhs.

Note 13 (b) : Reserves and Surplus

Particulars	Rs. in Lakhs	
	March 31, 2024	March 31, 2023
Reserve and surplus		
Securities premiums	7,630.24	4.90
Retained earnings	16,141.67	14,025.21
Other reserves		
Cash flow hedging reserves	150.76	(276.02)
Total Reserves & Surplus	23,922.67	13,754.09
(i) Securities premium	March 31, 2024	March 31, 2023
Balance at the beginning of the year (refer Note (a) below)	4.90	4.90
Add: Securities Premium (refer Note (b) below)	7,625.34	-
Balance at the end of the year	7,630.24	4.90
(ii) Retained earnings	March 31, 2024	March 31, 2023
Balance at the beginning of the year	14,025.21	12,774.08
Net profit for the year	2,092.18	1,272.94
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurements of post-employment defined benefit obligation, net of tax (refer note 15)	24.28	(21.81)
Balance at the end of the year	16,141.67	14,025.21
(iii) Cash flow hedging reserves	March 31, 2024	March 31, 2023
Balance at the beginning of the year	(276.02)	281.96
Less: Profit/(Loss) on cashflow hedge reserve, net of tax (refer note (c) below)	426.78	(557.98)
	150.76	(276.02)

Note (a): During the FY 2018-19, Company had issued 1,000 equity shares having face value of Rs 10 at a premium of Rs 490 through private placement of shares. Out of this, 990 shares are subscribed by India Agri Business Fund II Ltd and 10 shares to Real Trust II. Securities premium was used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act 2013. During the Financial Year 2022-23, 10 shares of Real Trust II has been transferred to India Agri Business Fund II Ltd.

Note (b): During the current financial year, CCCPS has been converted into equity shares due to which equity share capital has been increased by Rs. 42.32 lakhs and remaining amount of Rs. 7,625.34 lakhs has been transferred to security premium reserve.

Note (c): The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges.

Note (d): The Company has not issued any equity shares pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last five years.

Note (e): No shares reserved for issue under options and contracts/commitments.



Note 14 : Financial Liabilities

Note 14 (a) Borrowings

Secured:

Vehicle loan from banks (refer note (i) & (ii))

From banks

From other financial institutions

Packing credit loan from Banks (refer note (i) & (ii))

Unsecured:

Liability component of compound financial instrument - net of transaction costs
(refer note 14 (a)(i))

	March 31, 2024		March 31, 2023	
	Non Current	Current	Non Current	Current
Vehicle loan from banks (refer note (i) & (ii))	-	8.09	8.09	23.04
From banks	-	-	-	-
From other financial institutions	-	6,688.15	-	5,972.02
Packing credit loan from Banks (refer note (i) & (ii))	-	-	-	-
Unsecured:	-	-	3,578.54	-
Liability component of compound financial instrument - net of transaction costs (refer note 14 (a)(i))	-	-	-	-
	-	6,696.24	3,586.63	5,995.06

(i) Details of Security provided in respect of secured borrowings are as under:

(a) Vehicle loan is secured by hypothecation of the respective motor vehicle financed.

(b) Packing credit loan security:

Primary Security: Packing credit loans from banks are secured by hypothecation of both present and future stock of raw material, semi finished goods, finished goods, Stores and spares, packing material, stock in trade, other current assets and moveable fixed assets.

Collateral Security: Personal Guarantee by Mr. Vijay Kumar Arora, Mr. Ashwani Kumar Arora & Mr. Surinder Kumar Arora and corporate guarantee by LT Foods Limited.

The details of financial and non financial assets pledged as security for current and non current borrowings are disclosed in Note 37.

(ii) Details of terms of borrowings is as under:

(a) Vehicle loans:

Name of the bank	Amount of sanction	Year of sanction	Rate of Interest	Date of Maturity	Total amount of installment	Balance outstanding March 31, 2024	Balance outstanding March 31, 2023
Vehicle loans							
HDFC Bank	65.70	2021-22	8.00%	July 5, 2024	74.06	8.09	31.13
						8.09	31.13

Details of terms of repayment of vehicle loans are as under:

Financial year:

2023-24

2024-25

	March 31, 2024	March 31, 2023
	-	23.04
	8.09	8.09
	8.09	31.13

(b) Packing credit Loan- Loan taken from banks repayable within six months or nine months from the date as per the applicable terms of different banks and having floating interest rate. The interest rate on the above loans from banks are linked to the respective MCLR/SOFR which are floating in nature. The interest rate ranges from 7.24% to 8.20%

(iii) Reconciliation of liabilities arising from financing activities

Particulars	Rs. In Lakhs			Total
	Current Borrowings	Non-Current Borrowings	Lease Liability	
Net debt as on April 01, 2022	(5,733.83)	(3,175.24)	(256.34)	(9,165.41)
Cash movement:				
-Net Proceeds	(238.19)	-	-	(238.19)
-Repayment	-	38.48	-	38.48
-Addition in Lease liability	-	-	(327.49)	(327.49)
-Payment of lease liability	-	-	95.82	95.82
Current maturities of long term borrowings	(23.04)	23.04	-	-
Interest expense	(331.38)	(477.16)	(53.96)	(862.50)
Interest paid	331.38	4.25	-	335.63
Net debt as on March 31, 2023	(5,995.05)	(3,586.63)	(541.97)	(10,123.66)
Cash movement:				
-Net Proceeds	(693.09)	-	-	(693.09)
-Repayment	-	3,714.77	-	3,714.77
-Payment of lease liability	-	-	102.92	102.92
Current maturities of long term borrowings	(8.09)	8.09	-	-
Interest expense	(326.75)	(136.23)	(54.84)	(517.82)
Interest paid	326.75	-	-	326.75
Net debt as on March 31, 2024	(6,696.24)	0.00	(493.89)	(7,190.13)



Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 14 (b) : Other non-current financial liabilities	(Rs. In Lakhs)			
	March 31, 2024		March 31, 2023	
	Non Current	Current	Non Current	Current
Lease liabilities	424.35	69.54	488.53	53.44
Total	424.35	69.54	488.53	53.44

Note 14 (c) : Trade payables	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
	Trade Payables: Micro and small enterprises (refer note 32)	217.42
Trade payable : Others	5,007.15	8,463.84
Trade payable to related Parties (refer note 34 and note (i) below)	258.56	281.11
Total trade payables	5,483.13	8,788.59
(i) Includes payable to companies in which Director of the Company is also a Director	232.73	281.11

Ageing as on 31 March, 2024

(Rs. In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	155.99	61.43	-	-	-	217.42
(ii) Other	1,081.38	3,192.55	2.86	0.20	0.71	4,277.70
(iii) Disputed Due- MSME	-	-	-	-	-	-
(iv) Disputed Due- Other	-	-	-	-	-	-
	1,237.37	3,253.98	2.86	0.20	0.71	4,495.12
Add: Unbilled dues						988.01
Total trade payables						5,483.13

Ageing as on 31 March 2023

(Rs. In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	43.64	-	-	-	-	43.64
(ii) Other	532.80	7,768.63	3.56	-	13.98	8,318.97
(iii) Disputed Due- MSME	-	-	-	-	-	-
(iv) Disputed Due- Other	-	-	-	-	-	-
	576.44	7,768.63	3.56	-	13.98	8,362.61
Add: Unbilled dues						425.98
Total trade payables						8,788.59

Note 14 (d) : Other current financial liabilities

Note 14 (d) : Other current financial liabilities	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
	Derivative liabilities	-
Employees benefits payable	118.44	114.95
Other payables	31.39	20.81
Capital creditors	0.93	25.10
Total other current financial liabilities	150.76	529.74



Note 15 : Employee benefit obligations**(i) Leave obligations**

The leave obligations cover the Company's liability for privileged earned leaves.

The amount of the provision of Rs. 31.87 lakhs (March 31, 2023 Rs. 5.47 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leaves or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	March 31, 2024		March 31, 2023	
	Current	Non-Current	Current	Non-Current
Compensated absences	31.87	44.84	5.47	45.51

(ii) Gratuity

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers all regular employees. In the case of the gratuity scheme, the Company contributes to a trust administered by PNB Met Life. The Gratuity fund is approved by Income Tax Authorities. Commitments are actuarially determined at year-end. Actuarial valuation is done based on "Projected Unit Credit" method. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The Company provides for gratuity for employees with PNB Met Life in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognized funds in India.

Balance sheet amounts - Defined benefit plan : Gratuity

The Company has formed a trust which has taken the "Employee Group Gratuity Assurance Scheme" with PNB Met life to fund its obligation towards payment of gratuity to its employees.

ii(a) Amount recognised in the statement of profit and loss :

Description	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Current service cost	40.36	25.06
Interest cost	14.48	9.36
Interest income from plan assets	(2.82)	(0.76)
Amount recognised in the statement of profit and loss	52.02	33.66

ii (b) Movement of Defined benefit obligation during the period :

Description	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Present value of defined benefit obligation as at the start of the year	187.24	129.04
Current service cost	40.36	25.06
Interest cost	14.48	9.36
Actuarial loss/(gain) recognised during the year	(31.30)	29.14
Benefits paid	(26.70)	(5.36)
Past service cost	-	-
Present value of defined benefit obligation as at the end of the year	184.08	187.24



Nature Bio-Foods Limited
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ii (c) Breakup of actuarial (gain)/loss:

Description	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Actuarial (gain)/loss on arising from change in demographic assumption	(2.23)	5.65
Actuarial (gain)/loss on arising from change in financial assumption	(10.45)	(2.64)
Actuarial (gain)/loss on arising from experience adjustment	(18.62)	26.13
Return on plan assets (excluding interest)	(1.15)	-
Total actuarial gain recognised in OCI	(32.45)	29.14

ii(d) Movement in the liability recognised in the balance sheet is as under:

Description	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Liability as at the start of the year	148.74	118.35
Total Charge / (Credit) recognised in profit & Loss	52.02	33.66
Total Remeasurements recognised in Other comprehensive income/loss	(31.30)	29.14
Adjustment	(1.15)	0.74
Actual Company Contribution	(70.00)	(33.15)
Liability as at the end of the year	98.31	148.74
Current Liability as at the end of the year	13.26	19.26
Non current Liability as at the end of the year	85.05	129.48

ii(e) Change in fair value of assets:

Description	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	38.49	10.70
Interest Income Plan Assets	2.82	0.76
Actual Company Contributions	70.00	33.15
Actuarial Gains/(Losses)	1.15	(0.76)
Benefits paid	(26.70)	(5.36)
Fair value of plan assets at the end of the year	85.76	38.49



Nature Bio-Foods Limited
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ii(f) In accordance with Indian Accounting Standard 19, an actuarial valuation was carried out in respect of the gratuity based on the following significant assumptions:

Assumptions	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Discount rate	7.09%	7.32%
Estimated Rate of Return on Plan Assets	7.09%	7.32%
Withdrawal rate	10.00%	8.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Rate of increase in compensation	8.00%	9.00%

The discount rate assumed is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

ii(g) Sensitivity analysis :

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Description	March 31, 2024	March 31, 2023
Impact of the change in discount rate		
Present value of obligation at the end of the year	184.08	187.24
- Impact due to increase of 1 %	(12.97)	(14.14)
- Impact due to decrease of 1 %	14.74	16.23
Impact of the change in salary increase		
Present value of obligation at the end of the year	184.08	187.24
- Impact due to increase of 1 %	13.14	11.95
- Impact due to decrease of 1 %	(12.65)	(11.85)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Maturity profile of defined benefit obligation for next 10 years (undiscounted)

Description	March 31, 2024	March 31, 2023
Within next 12 months	13.72	19.95
Between 2-5 years	70.51	58.44
Beyond 5 years	89.06	93.53

(iii) Compensated absences

The earned leave liability arises on retirement, withdrawal, resignation and death-in-service of an employee. The actuary has used projected unit cost (PUC) actuarial method to assess the plan's liabilities of employees.

Description	March 31, 2024	March 31, 2023
Discount rate	7.09%	7.34%
Withdrawal rate	10.00%	8.00%
Future basic salary increase	8.00%	9.00%
Retirement age	58 years	58 years

Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.



Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

(iv) Provident fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Contribution made by the Company during the year is Rs 72.86 lakhs (March 31, 2023: Rs 67.92 lakhs).

(v) : Employee benefits Contribution plans

The Company has charged the following costs in the Statement of Profit and Loss under the head Contribution to provident and other funds in Note 22 - Employee benefit expenses.

Particulars	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Provident fund	72.86	67.92
Employees' State Insurance	6.68	8.86
Total	79.54	76.78



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Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 16 : Provisions	(Rs. In Lakhs)			
	March 31, 2024		March 31, 2023	
	Current	Non Current	Current	Non Current
(i) Employee benefit obligations (refer note 15 (a))				
Gratuity	18.02	80.31	19.26	129.48
Compensated absences	31.87	44.84	5.47	45.51
Total provisions	49.89	125.15	24.73	174.99

Note 17 : Other current liabilities	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
	Statutory dues	89.94
Advances from customers	1,169.60	2,845.96
Total other current liabilities	1,259.54	2,922.73

Note 17 (a) : Current tax liabilities	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
	Provision for taxation (Net of Provision for Tax)	181.31
Total current tax liabilities	181.31	6.37



Note 18 : Revenue from Contracts with Customers

Indian Accounting Standard 115, 'Revenue from Contracts with Customers' ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

Significant changes in contract assets and liabilities

There has been no significant changes in the nature of contract assets/contract liabilities during the year.

Revenue recognised in relation to contract liabilities

Advance from Customers:
Description

		(Rs. In Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
Amounts included in contract liabilities at the beginning of the year		2,845.97	2,491.15
Performance obligations satisfied in current year		(2,845.97)	(2,491.15)
Amount received in the current year having outstanding performance obligations		1,169.60	2,845.97
Amounts included in contract liabilities at the end of the year		<u>1,169.60</u>	<u>2,845.97</u>

Remaining performance obligations as at the reporting date are expected to be recognised over the next year by the Company.

Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by segment and type.

Timing of revenue recognition

		(Rs. In Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
Revenue recognised over time		-	-
Revenue recognised at point in time		46,329.37	40,650.69
		<u>46,329.37</u>	<u>40,650.69</u>

Assets and liabilities related to contracts with customers

Description

		(Rs. In Lakhs)			
		As at March 31, 2024		As at March 31, 2023	
		Non-current	Current	Non-current	Current
Contract liabilities related to sale of goods and services					
Advance from customers		-	1,169.60	-	2,845.97

Revenue from operations

Sale of products

Export
Domestic

		(Rs. In Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
Export		38,659.72	27,802.27
Domestic		7,539.85	12,679.59
Other operating revenues			
Sale of Scrap		129.80	168.83
Total revenue from operations		<u>46,329.37</u>	<u>40,650.69</u>

Details of products sold

Product sold :

Rice
Others

		(Rs. In Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
Rice		42,431.09	37,729.80
Others		3,898.28	2,920.89
Total revenue from operations		<u>46,329.37</u>	<u>40,650.69</u>

Pursuant to adoption of Ind AS 115, the reconciliation of revenue recognised in the statement of profit and loss with the contracted price on account of adjustments made to the contract price is as follows:

Reconciliation of revenue recognised with contract price

Contract price
Adjustments for :
Incentives and discounts
Revenue from operations

		(Rs. In Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
Contract price		46,407.48	40,707.41
Adjustments for :			
Incentives and discounts		(78.11)	(56.72)
Revenue from operations		<u>46,329.37</u>	<u>40,650.69</u>



Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 19 : Other income and other gains	(Rs. In Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
(a) Other income		
Export incentives	405.61	267.48
Interest income from financial assets (at amortised cost) :		
(i) Deposits with banks	0.27	0.51
(ii) Others (refer note (i) below)	34.34	271.42
Gain from sale of property, plant and equipment (net)	1.02	13.38
Interest on income tax refund	-	25.46
Miscellaneous income	15.94	9.26
Total other income	457.18	587.51

Note (i): Others include interest on inter corporate loan given to Ecopure Specialities limited.

(b) Other gains

	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/(loss) on foreign currency transaction and translations	-	241.86
Total other gain	-	241.86
Total (a+b)	457.18	829.37



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Notes forming part of the Standalone financial statements for the year ended March 31, 2024

	(Rs. In Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Note 20 : Cost of materials consumed		
a) Cost of raw material consumed		
Inventory at the beginning of the year	13,008.11	10,606.71
Add : Purchases during the year	28,214.34	28,281.16
	41,222.45	38,887.87
Less : Inventory at the end of the year	14,221.94	13,008.11
Cost of raw material consumed during the year (a)	27,000.51	25,879.76
b) Cost of packing material consumed		
Inventory at the beginning of the year	410.34	565.85
Add : Purchases during the year	984.44	987.80
	1,394.78	1,553.65
Less : Inventory at the end of the year	275.54	410.34
Cost of packing material consumed during the year (b)	1,119.24	1,143.31
Cost of material consumed during the year (a+b)	28,119.75	27,023.07
Consumption details		
Packing material	1,119.25	1,143.31
Paddy	19,554.65	15,490.09
Rice	7,445.85	10,389.67
	28,119.75	27,023.07

Note 21 : Changes in inventories of semi finished goods, finished goods and traded goods

	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year		
Semi Finished Goods	7,610.83	5,627.59
Finished Goods	1,151.36	1,496.54
Traded Goods	1,399.48	805.82
Total inventories at the beginning of the year	10,161.67	7,929.95
Inventories at the end of the year		
Semi Finished Goods	4,968.04	7,610.83
Finished Goods	2,257.52	1,151.36
Traded Goods	727.65	1,399.48
Total inventories at the end of the year	7,953.21	10,161.67
Net decrease/(increase)	2,208.46	(2,231.72)



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Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 22 : Employee benefits expense	(Rs. In Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	1,565.77	1,381.03
Gratuity (refer note 15)	52.02	33.66
Contribution to provident and other funds (refer note 15)	79.54	76.78
Leave compensation	38.04	15.54
Staff welfare expenses	127.37	122.26
Total Employee benefit expense	1,862.74	1,629.27

Note 23 : Finance costs	Year ended	
	March 31, 2024	March 31, 2023
(a) Interest expense on :		
(i) Borrowings (net of subvention interest income of Rs 187.54 lakhs (March 31, 2023: Rs 215.00 lakhs))	298.50	313.53
(ii) Interest on financial liabilities not at fair value through profit or loss	136.23	472.91
(iii) Interest on lease liabilities	54.84	53.96
(b) Bank charges	28.25	22.10
Total finance costs	517.82	862.50

Note 24 : Depreciation and amortisation expense	Year ended	
	March 31, 2024	March 31, 2023
(i) Depreciation of property, plant and equipment (refer note 4)	1,153.79	1,084.56
(ii) Depreciation of right to use asset (refer note 5)	73.12	84.05
(iii) Amortisation of intangible assets (refer note 6)	0.36	0.35
Total depreciation and amortisation expense	1,227.27	1,168.96



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Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 25 : Other expenses	(Rs. In Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Milling charges and other process charges	130.80	108.27
Rent	196.28	150.65
Consumption of stores and spares parts	656.94	750.04
Power and fuel	590.75	462.38
Labour charges	312.21	230.22
Insurance charges	166.45	155.37
Rates and taxes	72.65	130.81
Auditors' remuneration (refer note 25 (a) below)	16.25	16.25
Telephone and communication charges	82.31	29.65
Legal and professional charges	593.23	354.01
Repairs and maintenance		
-Plant and machinery	16.56	22.62
-Buildings	73.22	34.33
-Others	192.39	183.69
Conveyance	52.14	48.14
Tour and travelling expenses	387.49	426.07
Donations	21.00	-
Corporate social responsibility expenditure (refer note (25 (b) below)	37.00	40.50
Freight, Clearing & Forwarding	3,600.59	4,480.83
Testing, inspection and certification	1,156.95	717.85
Business promotion	47.27	91.75
Brokerage and commission	20.81	17.75
Net loss on foreign currency transactions	53.95	-
Commission guarantee (refer note 34)	98.61	89.95
Miscellaneous expenses	136.06	135.13
Total other expenses	8,711.91	8,676.26

Notes 25 (a) : Auditors' remuneration comprises:

As auditor:

-Statutory audit fees	12.50	12.50
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In other capacities

-Others	3.75	3.75
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Total	16.25	16.25
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Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 25 (b) : Corporate Social Responsibility expenditure

In accordance with the provision of section 135 of the Act , the Board of Directors of the Company has constituted a CSR Committee. The details for CSR activities are as follows:

i) Gross amount required to be spent by the company during the year	36.01	40.14
ii) Amount spent during the year on the following :		
(a) Construction/acquisition of any asset	-	-
(b) On purpose other than (a) above	37.00	40.50
Total	37.00	40.50



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Notes forming part of the Standalone financial statements for the year ended March 31, 2024

	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Note 26 : Earnings per share (EPS)		
(a) Net profit after tax available for equity shareholders (Rs. in Lakhs)	2,092.18	1,272.94
(b) Weighted average number of equity shares of Rs. 10 each outstanding during the year	2,329,418	2,001,000
(c) Weighted average number of equity shares and potential equity shares during the year (refer note (ii) below)	2,329,418	2,598,738
Basic earnings per share (in rupees) (a/b) [refer note (i) below]	89.82	48.98
Diluted earnings per share (in rupees) (a/c)	89.82	48.98

Note (i): During the previous year (2018-19) the Company had issued Compulsory Cummulative Convertible Preference Shares ('CCCPS') issued which are considered to be potential equity shares (refer note 13(a)). These have been considered in the determination of diluted EPS from the beginning of the year to the date of conversion; from the date of conversion, the resulting ordinary shares are included in both basic and diluted earnings per share.

Note (ii): Compulsory Cummulative Convertible Preference Shares ('CCCPS') are not considered for calculation of EPS since they are anti-dilutive in nature.

(ii) Weighted average number of shares :

	March 31, 2024	March 31, 2023
Weighted average number of equity shares	2,329,418	2,001,000
Adjustments for calculation of diluted earning per share:		
- Cumulative compulsorily convertible preference shares	-	597,738
Weighted average number of equity shares and potential equity shares during the year	2,329,418	2,598,738

	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Note 27 : Income tax expenses		
This note provides an analysis of the Company's income tax expense		

(a) Income tax expense :

Current tax		
Current tax on profits for the year	862.74	683.41
Deferred Tax Benefit	(88.71)	(92.54)
Total Income tax	774.03	590.87

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Profit before income taxes	2,866.21	1,863.81
Tax at the India's statutory income tax rate of 25.168% (March 31, 2023: 25.168%)	721.37	469.08

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Corporate social responsibility expense	9.31	10.19
Interest on CCCPS	34.29	119.03
Others	9.06	(7.43)
Total income tax expense	774.03	590.87



Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 28 : Fair value measurements

(i) Financial Instruments by category

(Rs. In Lakhs)

Particulars	March 31, 2024			March 31, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	-	-	-	9.01	-	-
Other financial assets	201.46	-	208.56	0.99	-	154.97
Loans	-	-	210.41	-	-	648.13
Trade receivables	-	-	5,461.83	-	-	6,521.48
Cash and cash equivalents	-	-	101.97	-	-	48.27
Total financial assets	201.46	-	5,982.77	10.00	-	7,372.85
Financial liabilities						
Borrowings	-	-	6,696.24	-	-	9,581.69
Lease liability	-	-	493.89	-	-	541.97
Other financial liabilities	-	-	150.76	368.87	-	160.87
Trade payables	-	-	5,483.13	-	-	8,788.59
Total financial liabilities	-	-	12,824.02	368.87	-	19,073.12

* Investment in equity instruments of subsidiaries has been accounted at cost in accordance with Ind AS 27. Therefore not within the scope of Ind AS 109, hence not included here.

(ii) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. For example, unlisted equity securities, etc.

There are no transfers among levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Asset and liabilities measured at fair value- recurring fair value measurements

Particulars	Notes	March 31, 2024			March 31, 2023		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
Key man insurance policies	7 (a)	-	-	-	-	9.01	-
Derivative asset	7 (c)	-	201.46	-	-	-	-
Derivative component of compound financial instrument	7 (c)	-	-	-	-	0.99	-
Financial Liability							
Derivative liabilities	14 (d)	-	-	-	-	368.87	-

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Derivative financial assets/liabilities:

The Company enters into derivative financial instruments with various counterparties and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates etc.

(ii) Fair value of financial assets and liabilities measured at amortized cost

Asset and liabilities measured at amortized cost for which fair values are disclosed

(Rs. In Lakhs)

Particulars	Notes	March 31, 2024			March 31, 2023		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
Other financial assets (other than mentioned in Level 2 above)	7 (c)	-	-	208.56	-	-	154.97
Loans	7 (b)	-	-	210.41	-	-	648.13
Trade receivables	7 (d)	-	-	5,461.83	-	-	6,521.48
Cash and cash equivalents	7 (e)	-	-	101.97	-	-	48.27
Financial liabilities							
Borrowings	14 (a)	-	-	6,696.24	-	-	9,581.69
Lease Liability	14 (b)	-	-	493.89	-	-	541.97
Other financial liability (other than mentioned in Level 2 above)	14 (d)	-	-	150.76	-	-	160.87
Trade payables	14 (c)	-	-	5,483.13	-	-	8,788.59

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial liability, other financial asset, loans, employee related payable are considered to be the same as their fair values, due to their short term nature.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk.

For financial assets and liabilities except for derivative instrument which have been accounted for based on level 2 inputs, that are measured at fair value, the carrying amounts are equal to the fair values.



Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 29 - Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost	- Ageing analysis - Credit ratings	Diversification of bank deposits, robust trade credit controls including credit limits and letter of credit
Liquidity risk	Trade payables and other liabilities	- Rolling cash flow forecast	Regular review of working capital resulting in effective and efficient working capital management.
Market risk- Interest rates	Current borrowings at variable rates	- Sensitivity analysis	Negotiation of terms that reflects the market factors
Market risk- foreign exchange risk	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian Rupee (INR)	- Cash flow forecasting - Sensitivity analysis	Foreign exchange forward contracts to hedge foreign currency risk exposures

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including cash and cash equivalents and deposits with banks and financial institutions.

Trade receivables

There is no significant increase in credit risk since previous year. The Company believes that credit risk is low at the reporting date as the terms of trade are generally in advance / cash payment. In certain circumstances credit is extended to customers, taking into account market conditions, general economic scenario etc. A default on a financial asset is when the counterparty fails to make contractual payments within the credit period when they fall due. This definition of default is determined by considering the business environment in which the Company operate and other micro economic factors. Interest is generally not charged and / or paid on customer balances.

The Company has developed guidelines for the management of credit risk from trade receivables. The customer balances are written-off as bad debts, when legal remedies available to the Company are exhausted and / or it becomes certain that said balances will not be recovered. The Company has used practical expedient in computing allowance for doubtful receivables based on the ageing of the customer's balances, specific credit circumstances and Company's historical and forward looking information. The Company's primary customers are foreign customers (including related parties) with advance payment or cash against documents or payment within 30-60 days depending upon the terms with customers. All the customers (including Domestic) are monitored on an on-going basis, thereby practically eliminating the risk of default and impairment.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturity profile of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Carrying Value	Less than 6 Months			More than 6 months up to 1 year	More than 1 year	Total
		Carrying Value	Less than 6 Months	More than 6 months up to 1 year			
As at March 31, 2024							
Borrowings (refer note 14 (a))	6,696.24	6,696.24					6,696.24
Trade payables (refer note 14 (c))	5,483.13	5,483.13					5,483.13
Other financial liabilities (refer note 14 (b) & (d))	150.76	150.76					150.76
Lease Liability (refer note 5)	493.89	54.93	54.93		987.75		1,097.61
Total	12,824.02	12,385.06	54.93	54.93	987.75		13,427.74
As at March 31, 2023							
Borrowings (refer note 14 (a))	9,581.69	5,983.32		11.74	3,586.63		9,581.69
Trade payables (refer note 14 (c))	8,788.59	8,788.59					8,788.59
Other financial liabilities (refer note 14 (b) & (d))	529.74	529.74					529.74
Lease Liability (refer note 5)	541.97	51.08	51.08		1,098.76		1,200.92
Total	19,441.99	15,352.73	51.08	62.82	4,685.39		20,100.94

(ii) Financing arrangements

The Company had access to the following undrawn 'fund based' borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
- Expiring within one year (backing credit loan)	3,211.85	3,927.98
Total	3,211.85	3,927.98



(C) Market risk
Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(1) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar (USD) and Euro (EUR). Foreign exchange risk arises from recognized assets and liabilities denominated in currency that is not the company's functional currency (INR). To minimize the foreign exchange risk arising from operating activities, the Company enters the foreign exchange forward contracts. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The Company's Indian Rupees exposure to foreign currency risk at the end of the reporting period is expressed as follows:

Currency	As at March 31, 2024		As at March 31, 2023	
	Foreign currency in Lakhs	Rs. in Lakhs	Foreign currency in Lakhs	Rs. in Lakhs
Trade payable				
Euro (EUR)	0.43	38.59	0.56	49.81
United States Dollar (USD)	5.05	421.34	1.05	86.28
Trade receivable				
Euro (EUR)	36.55	3,297.11	48.24	4,322.41
United States Dollar (USD)	21.63	1,803.51	23.40	1,923.95
Foreign exchange forward contracts (sell foreign currency)				
Euro (EUR)	(120.25)	(10,848.53)	(125.70)	(11,263.53)
United States Dollar (USD)	(96.25)	(8,024.69)	(101.56)	(8,350.27)
Net exposure:				
Euro (EUR)	(83.27)	(7,512.83)	(76.90)	(6,891.31)
United States Dollar (USD)	(69.57)	(5,799.84)	(77.11)	(6,340.04)

The following exchange rates have been applied for measurement of balances denominated in foreign currency.

Particulars	Year end spot rate	
	March 31, 2024	March 31, 2023
Euro (EUR)	90.22	89.61
United States Dollar (USD)	83.37	82.22

(a) Disclosure of effects of hedge accounting on financial position

As at March 31, 2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument Asset/(Liabilities) (in Rs lakhs)	Change in the value of hedged item used as the basis for recognizing hedge effectiveness (in Rs lakhs)
	Assets (in Rs lakhs)	Liabilities (in Rs lakhs)	Assets (in Rs lakhs)	Liabilities (in Rs lakhs)					
Cash flow hedge									
Foreign currency risk									
(i) A - Derivative assets - USD	8,089.56	-	39.62	-	30 April 2024 - 28 Feb 2025	1:1	83.84	39.62	39.62
(i) B - Derivative assets - EURO	11,150.66	-	161.84	-	30 April 2024 - 28 Feb 2025	1:1	92.41	161.84	161.84



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2024

For the year ended March 31, 2024

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in statement of profit or loss Gain/(Loss)	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge Foreign currency risk (i) Derivative assets	570.32	-	(30.81)	Revenue and other income

As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument Asset/ (Liabilities) (in Rs lakhs)	Change in the value of hedged item used as the basis for recognising hedge effectiveness (in Rs lakhs)
	Assets (in Rs lakhs)	Liabilities (in Rs lakhs)	Assets (in Rs lakhs)	Liabilities (in Rs lakhs)					
Cash flow hedge Foreign currency risk (i) A - Derivative assets - USD	8,427.38	-	3.75	-	10 April 2023 - 29 Feb 2024	1:1	83.07	3.75	3.75
(i) B - Derivative assets - EURO	11,035.15	-	-	372.62	28 April 2023 - 29 Feb 2024	1:1	88.36	(372.62)	(372.62)

For the year ended March 31, 2023

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income (in Rs lakhs)	Hedge ineffectiveness recognised in statement of profit or loss Gain/(Loss) (in Rs lakhs)	Amount reclassified from cash flow hedging reserve to profit or loss (in Rs lakhs)	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness (in Rs lakhs)
Cash flow hedge Foreign currency risk (i) Derivative liabilities	(745.64)	-	(242.79)	Revenue and other income

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For forward contracts, hedge effectiveness testing (Retrospective and Prospective) have been carried out using Dollar Offset Method by a management expert, engaged by the Company.

Movements in cash flow hedging reserve

Particulars	(in Rs lakhs)	
	March 31, 2024	March 31, 2023
Opening Balance	281.96	281.96
Add: Changes in fair value of forward contracts	(276.02)	(988.44)
Less: Amount reclassified to profit or loss- Profit	539.51	242.79
Less: Tax impact to above (net)	30.81	187.66
Change during the year	(143.54)	(857.98)
Closing Balance	426.78	(276.02)

The Company hedges its foreign currency exchange risk by acquiring forward contracts for foreseeable forecasted future transactions, which is represented by foreign currency expected to be collected through sale against confirmed export orders available with the Company. The Company has formalised its policy for hedging and implemented hedge accounting for forward contracts, which includes evaluation of hedge effectiveness of forward contracts at the time of acquisition and at each reporting date. The ineffective portion attributable to fair value of these forward contracts has been recognised in the Statement of Profit and Loss and effective portion has been recorded in cash flow hedge reserve through other comprehensive income. During the year, the Company has recognised profit of Rs. 570.32 lakhs (March 31, 2023: (745.65 lakhs)) in cash flow hedge reserve, through other comprehensive income, being effective portion of fair value of forward contracts outstanding as at March 31, 2024. The fair value is computed as difference between mark to market valuation as at March 31, 2024 and fair value as at date of acquisition of such forward contracts, whichever is later.



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2024

(b) Sensitivity

A reasonably possible strengthening (weakening) of the Euro and US dollar against all other currencies at March 31, 2024 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. Further, the sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts and pre-shipment credit in rupee designated as cash flow hedges. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	As at March 31, 2024 (Rs. in Lakhs)		As at March 31, 2023 (Rs. in Lakhs)		As at March 31, 2023 (Rs. in Lakhs)	
	Effect on profit after tax Gain/(Loss) 1% Strengthening*	Effect on other components of equity Gain/(Loss) 1% Weakening*	Effect on profit after tax Gain/(Loss) 1% Strengthening*	Effect on other components of equity Gain/(Loss) 1% Weakening*	Effect on profit after tax Gain/(Loss) 1% Strengthening*	Effect on other components of equity Gain/(Loss) 1% Strengthening*
Euro (EUR)	24.38	(82.23)	31.97	(84.29)	31.97	(84.29)
United States Dollar (USD)	(10.34)	(60.24)	13.75	(62.49)	13.75	(62.49)

* Holding all other variables constant.

(D) Interest rate risk
Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2024 the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments are in fixed deposits bearing fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	March 31, 2024		March 31, 2023	
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
Variable rate borrowing	6,688.15	5,972.02	6,688.15	5,972.02
Fixed rate borrowing	8.09	31.13	8.09	31.13
Total borrowings	6,696.24	6,003.15	6,696.24	6,003.15

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. A positive number below indicates an increase in profit or equity where the interest rate strengthens 50 basis points. For a 50 basis points weakening of the interest rate, there would be a comparable impact on the profits or equity, and the balances below would be negative.

	As at March 31, 2024 (Rs. in Lakhs)		As at March 31, 2023 (Rs. in Lakhs)	
	50bp Weakening*	50bp Strengthening*	50bp Weakening*	50bp Strengthening*
-Impact due to change by 50 basis points	(25.02)	25.02	(22.34)	22.34
*Holding all other variable constant				

Sensitivity

In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

e) Price Risk:- The Company does not have any significant investments in equity instruments which create an exposure to price risk.



Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 30 : Capital management

The Company's capital management objectives are :

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of adjusted net debt to equity ratio.

The Company's adjusted net debt to equity ratio as at year end were as follows.

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Total Borrowings & lease liability	7,190.13	10,123.66
Less : Cash and cash equivalents	(101.97)	(48.27)
Net debt	7,088.16	10,075.39
Total Equity	24,165.09	17,907.09
Adjusted net debt to adjusted equity ratio	0.29	0.56

Loan covenants

Under the terms of the borrowing facilities of various banks, the Company was required to comply with the following financial covenants:

- (a) Current Ratio equal to or more than 1.10 times.
- (b) Interest Bearing Debt/Earning Before Interest Tax and Depreciation Not to be above 4.5 times (IBD/EBITDA)
- (c) Interest Coverage equal to or more than 1.5 times (Interest Coverage equal to or more than 0.5 times for FY 22-23)

The Company has complied with these covenants through out the reporting period.

Particulars	March 31, 2024	March 31, 2023
	In times	In times
(a) Current Ratio	2.14	1.72
(b) IBD/EBITDA	1.45	3.41
(c) Interest Coverage	6.85	3.34



Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 31 : Contingent Liabilities

	March 31, 2024	March 31, 2023
	Rs. In Lakhs	Rs. In Lakhs
Claims against the Company not acknowledged as debts:		
Income tax demands (refer note below)	10.72	10.72
Duty saved under EPCG licenses (export obligation outstanding ₹ 139.72 Lakhs (March 31, 2023: Nil)	23.29	-
Total	34.01	10.72

Notes:

(i) For the assessment year 2010-11 the Income tax department (Department) has added back Rs 2,442,523 on account of various reasons to the total income of the Company. The department has issued notice of demand u/s 156 of the Income Tax Act, 1961 on March 28, 2013 demanding Rs 514,888. The Company had contested the above before CIT(Appeals) and the Ld. CIT(Appeals) has dismissed the appeal vide order dated May 19, 2016. The Company had contested the above order before Hon'ble ITAT. No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable. Aforesaid demand is including interest upto March 28, 2013 but excluding interest from April 1, 2013 onwards and penalty.

(ii) For the assessment year 2013-14 the department has issued notice of Penalty u/s 271 (1) (c) of the Income Tax Act, 1961 demanding Rs 100,185. The Company had contested the above before CIT(Appeals) . No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

(iii) For the assessment year 2014-15 the department has issued notice of Penalty u/s 271 (1) (c) of the Income Tax Act, 1961 demanding Rs 8498. The Company had contested the above before CIT(Appeals) . No provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

(iv) For the assessment year 2018-19 the department has issued assessment order u/s 143 (3) of the Income Tax Act, 1961 added back amount of Rs 1,320,720 and has demanded amount of Rs. 448,913. The Company has decided to file rectification under section 154 of Income tax act, 1961 & no provision is necessary in this regard since the Company has been advised that it has a good case and chances of case decided against the Company is not probable.

Note 32: Dues to Micro and Small Enterprises

According to the information available with the Management, on the basis of intimation received from suppliers, regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows:

Particulars	March 31, 2024	March 31, 2023
	Rs. In Lakhs	Rs. In Lakhs
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each		
- Principal amount remaining unpaid	217.42	43.64
- Interest accrued and remaining unpaid as at year end	-	-
(ii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act	-	-
(iii) Amount paid to the suppliers beyond the respective due date.	102.35	-
(iv) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	0.56	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	0.56	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	1.00	0.44

Note 33: Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2024	March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Property Plant and equipment (net of advance Rs 240.75 Lakhs , March 31, 2023 - Nil)	216.63	126.23
Total	216.63	126.23



Note 34 : Related party disclosures

A. Name of the related parties and nature of relationship

(I) Related Parties where Control exists

Nature of Relationship	Name of Entity
Holding Company	LT Foods Limited

(II) Other Related Parties with whom there were transactions during the year

Nature of Relationship	Name of Entity
Fellow Subsidiary Companies	Daawat Foods Limited LT Foods Americas Inc. LT Foods Europe BV LT Foods DMCC
Wholly owned subsidiary Companies	Nature Bio Foods BV Ecopure Specialities Limited
Step down Subsidiary	Nature Bio Foods Inc
Post-employment benefits plan Trust	Nature Bio Foods Limited Employees Gratuity Assurance Scheme

(III) Key Management Personnel (KMP)

Nature of Relationship	Name of Person
Key Management Personnel	Mr. Anmol Arora, Whole Time Director Mr. Vijay Kumar Arora, Director Mr. Jal Sheel Oberoi, Director Mr. Surinder Kumar Arora, Director Mr. Ashwani Kumar Arora, Director Mr. Surender Kumar Tuteja, Independent Director Ms. Ambika Sharma, Independent Director Mr. Jason Kardachi, Nominee Director Mr. Mitchell Mansfield, Nominee Director

B. The nature and volume of transactions during the year with the above related parties are as follows:

Nature of transactions	Holding Company	Fellow Subsidiaries				Wholly owned subsidiary Companies		Step down Subsidiary	Post-employment benefits plan Trusts	KMP	Total
		Daawat Foods Limited	LT Foods Americas Inc.	LT Foods Europe BV	LT Foods DMCC	Nature Bio Foods BV	Ecopure Specialities Limited	NBF Inc.			
Transactions during the year:											
Sale of goods	(12.05)	-	12,806.32 (7,498.42)	1,939.56 (601.39)	-	18,275.57 (12,715.66)	746.85 (6,013.63)	1,480.76 (346.11)	-	-	35,249.06 (27,187.27)
Purchase of goods	-	-	-	-	-	-	108.02 (1,106.38)	-	-	-	108.02 (1,106.38)
Purchase of fixed assets	-	-	-	-	-	-	10.77 (236.43)	-	-	-	10.77 (236.43)
Rent paid	-	18.15 (18.15)	-	-	-	-	-	-	-	-	18.15 (18.15)
Sale of PPE (including ROU)	-	-	-	-	-	-	4.61 (6.26)	-	-	-	4.61 (6.26)
Rent Received	-	-	-	-	-	-	1.20 (1.20)	-	-	-	1.20 (1.20)
Interest Income	-	-	-	-	-	-	34.34 (271.42)	-	-	-	34.34 (271.42)
Business Support Service	125.67 (110.48)	-	-	-	-	-	-	-	-	-	125.67 (110.48)
QC Support Service	-	-	-	-	-	-	266.51 (146.43)	-	-	-	266.51 (146.43)
Procurement Support Service	-	-	-	-	-	-	240.00 (200.00)	-	-	-	240.00 (200.00)
Testing Charges	198.22 (87.78)	-	-	-	-	-	-	-	-	-	198.22 (87.78)
Transportation Charges	(5.94)	-	-	-	-	-	-	-	-	-	(5.94)
Processing charges paid	124.58 (37.13)	2.07 (0.19)	-	-	-	-	-	-	-	-	126.65 (37.32)
Processing charges received	30.27	-	-	-	-	-	-	-	-	-	30.27
Corporate guarantee commission	98.61 (89.95)	-	-	-	-	-	-	-	-	-	98.61 (89.95)
Fumigation expense paid	4.43 (2.42)	-	-	-	-	-	-	-	-	-	4.43 (2.42)
Insurance charges paid	16.02 (14.19)	-	-	-	-	-	-	-	-	-	16.02 (14.19)
Reimbursement of expenses paid	-	(5.61)	(29.68)	6.04 (8.60)	(33.07)	60.63 (11.95)	64.37	(1.60)	-	-	131.04 (90.51)
Reimbursement of expenses received	(64.31)	170.99 (152.70)	-	-	-	210.44 (130.91)	33.12 (193.71)	20.40 (17.22)	-	-	434.95 (558.85)

Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

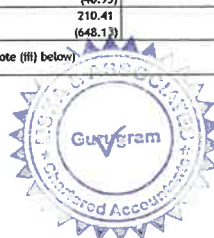
Remuneration paid to KMP (Refer Note (I))	-	-	-	-	-	-	-	-	-	60.21 (100.59)	60.21 (100.59)
Director's sitting fee (Refer Note (II))	-	-	-	-	-	-	-	-	-	8.00 (9.80)	8.00 (9.80)
Investment in equity shares	-	-	-	-	-	-	(1,499.96)	-	-	-	(1,499.96)
Employer's Contribution to Post-employment benefit trust	-	-	-	-	-	-	-	70.00 (33.15)	-	-	70.00 (33.15)

C. Balance outstanding as at year end:

Nature of transactions	Holding Company	Fellow Subsidiaries				Wholly owned subsidiary Companies		Step down Subsidiary	Post-employment benefits plan Trusts	KMP	Total
		Daawat Foods Limited	LT Foods Americas Inc.	LT Foods Europe BV	LT Foods DMCC	Nature Bio Foods BV	Ecopure Specialities Limited	NBF Inc.			
Balance outstanding as at year end:											
Trade receivable	-	-	1,371.66 (1,646.38)	-	-	3,178.62 (4,321.95)	56.83	176.14 (258.33)	-	-	4,783.25 (6,226.66)
Trade payables	232.73 (243.91)	-	-	24.08 (35.47)	1.75 (1.72)	-	-	-	-	-	258.56 (281.10)
Other current assets & Other financial assets	-	55.97 (50.52)	-	-	-	-	30.91 (40.95)	-	-	-	86.88 (91.47)
Loans given	-	-	-	-	-	-	210.41 (648.13)	-	-	-	210.41 (648.13)
Guarantees issued by	Refer Note (III) below										

Note (I) Remuneration has been paid to JS Oberoi (Rs. 58.34 lakhs) and Anmol Arora (Rs. 1.87 lakhs)
 (II) Sitting Fees has been paid to Ambika Sharma and Surender Kumar Tuteja of Rs. 4 lakhs each
 (III) Joint Guarantee Issued by KMP & LT Foods amounting to Rs. 6,688.15 lakhs (Rs. 5,972.02 lakhs as at March 31, 2023)

Figures in brackets represents previous year's comparatives
 Note: 1. All outstanding balances are unsecured and are payable/receivable in cash.
 2. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.



Nature Bio-Foods Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 35 : Segment Reporting

The Company's reporting segments are identified based on activities/products, risk and reward structure, organization structure and internal reporting systems. The operating segments are presented in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). For management purposes, the Company is organized into business units based on its products and services and has two reportable segments as follows:

- (i) Rice
(ii) Others - Comprises of pulses, oilseeds, dry fruits, spices etc.

The Company has identified its Whole Time Directors as CODM who assesses the financial performance and makes strategic decisions. The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

(a) Summary of Segment Information:

Particulars	(Rs. in Lakhs)							
	RICE		OTHERS		UNALLOCABLE		TOTAL	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
REVENUE								
Revenue from external customers	42,431.09	37,729.80	3,768.48	2,752.06	-	-	46,199.57	40,481.86
Other Operating Revenue	-	-	-	-	129.80	168.83	129.80	168.83
Total Segment Revenue	42,431.09	37,729.80	3,768.48	2,752.06	129.80	168.83	46,329.37	40,650.69
Other Income	340.31	246.97	51.17	33.88	65.70	548.52	457.18	829.37
Total Segment Income	42,771.40	37,976.77	3,819.65	2,785.94	195.50	717.35	46,786.55	41,480.06
RESULTS								
Segment Result	5,637.22	4,098.45	960.90	484.86	(3,214.09)	(1,857.00)	3,384.03	2,726.31
Less: Finance Cost	-	-	-	-	517.82	862.50	517.82	862.50
Segment Profit before taxation	-	-	-	-	-	-	2,866.21	1,863.81
Tax expense	-	-	-	-	-	-	774.03	590.87
Other comprehensive income (net of taxes)	-	-	-	-	-	-	451.06	(579.79)
Total comprehensive income for the year							2,543.24	693.15
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Segment Assets	30,099.25	33,176.16	2,277.47	2,455.43	-	-	32,376.72	35,631.59
Unallocated Assets	-	-	-	-	6,228.28	4,846.31	6,228.28	4,846.31
Total Assets							38,605.00	40,477.90
Segment Liabilities	4,717.59	10,967.83	273.71	42.49	-	-	4,991.30	11,010.32
Unallocated Liabilities	-	-	-	-	33,613.70	29,467.58	33,613.70	29,467.58
Total Liabilities							38,605.00	40,477.90
Capital Expenditure	359.67	1,230.22	238.70	-	-	-	598.39	1,230.22
Unallocable Expenditure	-	-	-	-	741.68	32.84	741.68	32.84
							1,340.07	1,263.06
Depreciation/Amortization	1,002.94	1,118.67	102.68	-	-	-	1,105.62	1,118.67
Unallocable Depreciation	-	-	-	-	121.65	50.29	121.65	50.29
							1,227.27	1,168.96
Segment Revenue based on the locations of the customers :								
America							14,663.55	8,044.51
Europe							23,680.68	19,630.13
India							7,659.67	12,848.42
Other than America, Europe & India							325.47	127.63
							46,329.37	40,650.69

Notes :

- (i) Unallocated expenses includes legal & professional expenses, travelling expenses, rates & taxes and business promotion expenses & other non allocable expenses which are not attributable directly to each of the segment.
(ii) Unallocated assets include corporate assets, cash and bank balances, investments, loans, other financial assets and other non-allocable assets.
(iii) Unallocated liabilities include corporate liabilities, bank borrowings and other non-allocable liabilities.

(b) Revenue from major customers:

The revenues of Rs. 33,481.59 lakhs (March 31, 2023 Rs. 26,227.72 lakhs) are derived from three individual customers (including related parties).



Note 36: Disclosure of Ratios

S No.	Ratio	Formula	Particulars		Ratio as on	Ratio as on	Variation
			Numerator	Denominator	March 31, 2024	March 31, 2023	
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Bank Balance + Loans + Other Financial Assets	Current Liabilities= Short term borrowings + Trade Payables + Other financial Liabilities+ Current tax (Liabilities) + Lease Liabilities+ Provisions + Other Current Liability	2.14	1.72	24.87%
(b)	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	4.29	4.19	2.25%
(c)	Net capital turnover ratio	Revenue / Average Working Capital	Revenue from Operations	Average Working Capital= Average of Current assets - Current liabilities	3.19	3.47	-8.09%
(d)	Net profit ratio	Net Profit / Net Sales	Net Profit	Revenue from Operations	0.05	0.03	44.21%
(e)	Return on Capital employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Equity Share Capital + Other Equity + Non Current and Current borrowings + Total Lease Liabilities	0.14	0.12	11.28%
(f)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	0.09	0.07	21.79%
(g)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + short term borrowing + Non-current and current lease liabilities	Equity= Equity + Reserve and Surplus	0.30	0.57	-47.37%
(h)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit before taxes + Non-cash operating expenses + finance cost	Debt Service = Interest and Lease Payments + Principal Repayments of lease liabilities and long term borrowings.	10.86	9.89	9.85%
(i)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profit after taxes	Shareholder's Equity	0.09	0.07	21.79%
(j)	Inventory turnover ratio	Cost of Goods Sold / Average Inventory	Cost of Material Consumed + Purchases of Stock in Trade + Changes in Inventory	(Opening Inventory + Closing Inventory)/2	1.35	1.26	7.16%
(k)	Trade Receivables turnover ratio	Net Credit Sales / Average Trade Receivables	Revenue from Operations	(Opening Trade Receivables + Closing Trade Receivable)/2	7.73	7.42	4.21%

Note : Explanation provided only for change in the ratios by more than 25%.

Remarks:

Net profit ratio: In current year, profit has been increased due to which Net profit ratio has been improved.
Debt-Equity Ratio: Debt equity ratio has been improved due to reduction of borrowings in current year.



Nature Bio-Foods Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2024

Note 37 : Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	(Rs. In Lakhs)	
		March 31, 2024	March 31, 2023
Current			
Financial assets			
Trade receivables	7 (d)	5,461.83	6,521.48
Cash and cash equivalents	7 (e)	101.97	48.27
Other Financial Assets	7 (c)	379.16	130.92
Non-Financial assets			
Inventory	10	22,885.84	23,893.34
Other Current Assets			
Total current assets pledged as security	A	28,828.80	30,594.01
Non-current assets			
Property, plant and equipment	4	2,294.60	2,631.23
Total non-current assets pledged as security	B	2,294.60	2,631.23
Total assets pledged as security	(A+B)	31,123.40	33,225.24

Note 38 : Details of loan, investment made and guarantee given covered under section 186(4) of Companies Act, 2013

i) Loans granted to subsidiary

Name of the Loanee	Rate of interest	Maximum balance outstanding during the year		
			March 31, 2024	March 31, 2023
Ecopure Specialities Limited	8%	648.13	210.41	648.13
Total			210.41	648.13

ii) Refer note 7(a) for details of Investments made in subsidiaries.

iii) The company has not given any guarantees during the current year and in previous year.

Note 39 : New and amended standards adopted by the Company

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Company has applied these amendments for the first-time in these financial statements

Amendments to Ind AS 8 - definition of accounting estimates: The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on these financial statements.

Amendments to Ind AS 1 - disclosure of accounting policies: The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements.

Amendments to Ind AS 12 - deferred tax related to assets and liabilities arising from a single transaction: The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. This amendment does not have any material impact on the financial statements.

New and amended standards issued but not effective

MCA notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

Note 40 : As per the international transfer pricing norms introduced in India with effect from April 1, 2001 and the domestic transfer pricing norms introduced with effect from April 1, 2012, the Company is required to use certain specified methods in computing arm's length price of international and domestic transactions between company and its associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a transfer pricing study for the current financial period. However, in the opinion of the Management the same would not have a material impact on these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.



Note 41 : The Company has a working capital limit of Rs 9,900 Lakhs. For said facility, the management files returns/ statements, including information about inventory, debtors (with their ageing) and creditors, with such banks on monthly basis. The management also files revised returns/ statements, including similar information as at quarter-end and for the quarter then ended, with such banks on quarterly basis after reconciling the data with quarter-end accounts. The revised returns/ statements filed with such banks, are in agreement with the unaudited books of accounts of the Company on aggregate basis.

Note 42: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 43: Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or, b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or , b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vi) The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(vii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(ix) Title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective entities in the Company.

(x) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(xi) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 44: Previous year's figures have been regrouped/ reclassified wherever necessary, to confirm to current year's classification.

Note 45: Approval of financial statements - The financial statements were authorised for issue by the Board of Directors on 15th May 2024.

For M S K A & Associates Chartered Accountants
Firm Registration Number : 105047W



Rahul Aggarwal
Partner
Membership Number: 505676

Place: Gurugram
Date : May 17, 2024

For and on behalf of the Board of Directors
Nature Bio-foods Limited



Surinder Kumar Arora
Director
DIN No. 01574728

Place: Gurugram
Date : May 15, 2024



Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : May 15, 2024