

INDEPENDENT AUDITOR'S REPORT

To the Members of Nature Bio-Foods Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Nature Bio-Foods Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2026, and its profit (including 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 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 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the 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 but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the 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.

The Director's report has not been made available to us as at the date of this auditor's report. We have nothing to report in this regard.



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Responsibilities of Management and Board of Directors for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors of the Company 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the 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 of the aforesaid financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept by the Company so far as it appears from our examination of those books, except for the matter stated in paragraph 2(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules 2014 (as amended).



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- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statements.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (h) 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 financial statements - Refer Note 32 to the 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 are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.
 - iv.
 - a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 44(iii) to the financial statements, 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 it's knowledge and belief, as disclosed in the note 44(iv) to the financial statements, 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, 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



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caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under sub clause (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 which includes test checks, the Company has used an accounting software for maintaining its books of accounts (managed and maintained by a third- party software service provider) which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that we are unable to comment on audit trail at database level as the Company has not been able to gather related evidence from the service provider who manages this accounting software as explained in Note 45 to the Financial Statements.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, wherever maintained. Additionally, in the absence of sufficient and appropriate audit evidence (as stated in paragraph 2(b) above), we are unable to comment whether the audit trail of previous years has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information and explanations given to us, the provision of section 197 read with Schedule V of the Act are applicable to the company. However, no remuneration has been paid or provided to the directors for the year ended March 31, 2026.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187



Sriparna De

Partner

Membership No.: 060978

UDIN: 26060978FUWDNM9964



Place: Gurugram

Date: May 14, 2026

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

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with Standards on Auditing (SAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013 ("the Act"), we are also responsible for expressing our opinion on whether Nature Bio-Foods Limited ("the Company") has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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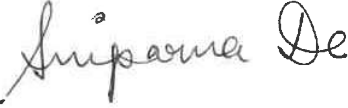
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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear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

For M S K A & Associates LLP (Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187



Sriparna De

Partner

Membership No.: 060978

UDIN: 26060978FUWDNM9964



Place: Gurugram

Date: May 14, 2026

MSK A & Associates LLP

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ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NATURE BIO FOODS LIMITED FOR THE YEAR ENDED MARCH 31, 2026

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Nature Bio-Foods Limited ("the Company") on the Financial Statements for the year ended March 31, 2026.

- (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) Property, plant and Equipment and Right of Use assets have been physically verified by the management during the year and no material discrepancies were identified 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 financial statements, are held in the name of the Company.
 - (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. 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, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification, is reasonable and appropriate, having regard to the size of the Company and the 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) During any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores rupees, in aggregate from Banks, on the basis of security of current assets and moveable fixed assets. Based on the records examined by us in the normal course of audit of the financial statements, quarterly returns and statements filed by the Company with such Banks, except for few immaterial differences, are in agreement with books of account of the Company.



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- iii. According to the information and explanations provided to us, the Company has not made any investments in, or provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions stated under clause 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ("the Act"), are applicable and accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.
- 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 the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.
- 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 requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

We have been informed that the provisions of the Service Tax, Sales Tax, Value Added Tax are not applicable to the Company.

(b) According to the information and explanations given to us and the records examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, duty of customs, income-tax cess, and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as 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 and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful 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 was raised by way of term loans during the year. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is 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 financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.



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- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from an 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, 2026.
- (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. Further, the Company do not have any associate or joint ventures. Accordingly, reporting under clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, 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 reporting requirement under clause 3(x)(a) of the Order is 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 convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.
- (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 under clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) 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 financial statements as required by the applicable 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 of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on on clause 3(xv) of the Order is not applicable to the Company.



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- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are 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 requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) 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 requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 37 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx.
- (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in note 26(b) to the financial statements.



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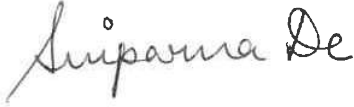
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- (b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187



Sriparna De

Partner

Membership No.: 060978

UDIN: 26060978FUWDNM9964



Place: Gurugram

Date: May 14, 2026

MSK A & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

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

Referred to in paragraph 2(g) 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 ("the Company") on the Financial Statements for the year ended March 31, 2026

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

Opinion

We have audited the internal financial controls with reference to Financial Statements of the Company as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibilities 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 financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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



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assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to the Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

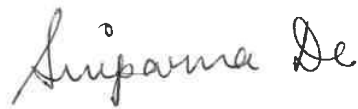
Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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 LLP (Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187



Sriparna De

Partner

Membership No.: 060978

UDIN: 26060978FUWDNM9964



Place: Gurugram

Date: May 14, 2026

Nature Bio-Foods Limited
Balance sheet as at March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	3,896.83	4,584.08
Capital work-in-progress	4(a)	27.42	30.50
Right of use assets	5	1,599.38	393.87
Intangible assets	6	36.89	0.82
Financial assets			
i) Investments	7 (a)	3,004.97	3,004.97
ii) Other financial asset	7 (b)	36.75	29.60
Deferred tax assets (net)	8	895.55	589.79
Non-current tax assets (net)	9	155.28	-
Other non-current assets	10	24.01	4.33
Total non-current assets		9,677.08	8,637.96
Current assets			
Inventories	11	27,327.42	27,064.13
Financial assets			
i) Trade receivables	7 (c)	6,164.69	10,366.56
ii) Cash and cash equivalents	7 (d)	587.93	511.85
iii) Bank balances other than cash and cash equivalents	7 (e)	114.00	-
iv) Other financial assets	7 (b)	79.35	189.84
Other current assets	12	1,065.25	1,720.34
Total current assets		35,338.64	39,852.72
Total assets		45,015.72	48,490.68
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	242.42	242.42
Other equity	14	27,443.37	27,010.37
Total equity		27,685.79	27,252.79
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Lease Liabilities	15 (a)	615.16	399.41
Provisions	16	310.48	355.61
Total non-current liabilities		925.64	755.02
Current liabilities			
Financial liabilities			
i) Borrowings	15 (b)	-	1,752.05
ii) Lease Liabilities	15 (a)	217.07	119.49
iii) Trade payables			
a) total outstanding dues of micro and small enterprises	15 (c)	1,691.10	676.73
b) total outstanding dues of creditors other than micro and small enterprises	15 (c)	11,839.82	16,158.83
iv) Other financial liabilities	15 (d)	1,470.53	381.75
Other current liabilities	17	1,170.98	1,253.68
Provisions	16	14.79	13.26
Current tax liabilities (net)	18	-	127.08
Total current liabilities		16,404.29	20,482.87
Total liabilities		17,329.93	21,237.89
Total equity and liabilities		45,015.72	48,490.68

Summary of material accounting policies information

1-3

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

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

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number : 105047W/W101187

Sriparna De

Sriparna De
Partner
Membership Number: 060978

Place: Gurugram
Date : May 14, 2026



For and on behalf of the Board of Directors of
Nature Bio-Foods Limited
CIN:U15134DL2005PLC143017

Surinder Kumar Arora

Surinder Kumar Arora
Director
DIN No. 01574728

Place: Gurugram
Date : May 08, 2026

Ashwani Kumar Arora

Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : May 08, 2026

Nature Bio-Foods Limited
Statement of Profit and Loss for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	19	61,875.73	59,935.84
Other income	20	646.08	937.60
Total Income		62,521.81	60,873.44
Expenses			
Cost of materials consumed	21	38,603.24	37,221.25
Purchase of stock-in-trade	21a	12,773.91	2,416.05
Changes in inventories of finished goods, semi finished goods and stock-in-trade	22	(5,359.75)	(1,461.89)
Employee benefit expenses	23	2,584.53	2,318.38
Finance costs	24	691.67	604.33
Depreciation and amortisation expenses	25	1,183.99	1,210.57
Other expenses	26	10,425.02	14,073.31
Total expenses		60,902.61	56,382.00
Profit before tax for the year		1,619.20	4,491.44
Income tax expense			
- Current tax	27	485.90	1,187.62
- Tax related to earlier years	27	9.92	-
- Deferred tax benefit	8	(55.05)	(86.13)
Total Income Tax expense		440.77	1,101.49
Profit after tax for the year		1,178.43	3,389.95
Other Comprehensive Income			
1. Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on post employment defined benefit plans		64.76	(68.81)
Income tax relating to these items	8	(16.30)	17.32
2. Items that will be reclassified to profit or loss:			
Loss on cashflow hedge reserve		(1,060.90)	(335.09)
Income tax relating to these items	8	267.01	84.33
Other comprehensive loss for the year, net of tax		(745.43)	(302.25)
Total comprehensive income for the year, net of tax		433.00	3,087.70
Earnings per equity share (Nominal value per share INR 10 (March 31, 2025: INR 10))			
Basic (INR)	28	48.61	139.84
Diluted (INR)		48.61	139.84
Summary of material accounting policies information	1-3		

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

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

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number : 105047W/W101187

Sripurna De
Partner
Membership Number: 060978

Place: Gurugram
Date : May 14, 2026



For and on behalf of the Board of Directors of
Nature Bio-Foods Limited
CIN:U15134DL2005PLC143017

Surinder Kumar Arora
Director
DIN No. 01574728

Place: Gurugram
Date : May 08, 2026

Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : May 08, 2026

Nature Bio-Foods Limited
Statement of Cash Flows for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax	1,619.20	4,491.44
Adjustment for:		
Depreciation and amortization expenses	1,183.99	1,210.57
Interest income	(2.19)	(7.33)
Unrealised gain on foreign currency transaction	(146.47)	(117.01)
Gain on sale of property, plant & equipments (net)	(0.86)	(1.43)
Provision for Employee benefits	107.87	129.65
Interest income on Income tax refund	(48.45)	-
Finance cost	691.67	604.33
Operating profit before change in operating assets & liabilities	3,404.76	6,310.22
Adjustment for (increase)/decreases in operating assets		
Trade receivables	4,355.29	(4,790.22)
Inventories	(263.29)	(4,178.28)
Other current financial assets	16.90	158.41
Other non current financial assets	(7.16)	(200.20)
Other current and non current assets	635.44	(754.62)
Adjustment for increase/(decreases) in operating liabilities		
Trade payables	(3,309.99)	11,354.10
Other financial liabilities	28.91	97.02
Other current liabilities	(82.70)	(5.86)
Provisions	(86.70)	(4.63)
Cash generated from operating activities	4,691.46	7,985.94
Income taxes paid (net of refunds)	(729.64)	(1,241.84)
Net cash generated from operating activities	3,961.82	6,744.10
B. Cash flow from investing activities		
Purchase of property, plant equipment and intangible assets (including capital work-in-progress, Capital advances and Capital creditors)	(1,451.54)	(950.77)
Proceeds from sale of property, plant and equipment	141.86	8.57
Interest received	1.46	210.41
Proceeds from maturity of investment	-	38.24
Net cash used in investing activities	(1,308.22)	(693.55)
C. Cash flow from financing activities		
Repayment of short term borrowings (net)	(1,752.05)	(4,944.19)
Principal Payment towards lease liability	(133.80)	(92.15)
Interest Payment of lease liabilities	(59.60)	(57.93)
Bank Charges paid	(19.94)	(25.26)
Interest cost paid	(612.13)	(521.14)
Net cash used in financing activities	(2,577.52)	(5,640.67)
Net increase in cash and cash equivalents	76.08	409.88
Cash and cash equivalents at the beginning of the year	511.85	101.97
Cash and cash equivalents at the end of the year	587.93	511.85
Cash and cash equivalents comprises:		
Cash on hand	1.97	0.58
Balances with the banks:		
-In current accounts	582.96	511.27
-In deposits with original maturity of less than three months	3.00	-
	587.93	511.85

	Year ended March 31, 2026	Year ended March 31, 2025
Non Cash Financing & Investing Activities		
Acquisition of right of use of assets (Refer note 5)	447.13	117.16

The above statement of cash flows has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Refer Note 15(b)(iii) for reconciliation of movements of liabilities to cash flows arising from financing activities.

Summary of material accounting policies information 1-3

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

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

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number : 105047W/W101187

Sriparna De
Sriparna De
Partner
Membership Number: 060978

Place: Gurugram
Date : May 14, 2026



For and on behalf of the Board of Directors of
Nature Bio-Foods Limited
CIN:U15134DL2005PLC143017

Surinder Kumar Arora
Surinder Kumar Arora
Director
DIN No. 01574728

Ashwani Kumar Arora
Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : May 08, 2026

Place: Gurugram
Date : May 08, 2026

Nature Bio-Foods Limited
Statement of Changes in Equity for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

a) Equity share capital

Particulars	Note	Number of shares	Amount
Balance as at April 01, 2024	13	24,24,243	242.42
Add: Shares issued during the year		-	-
Balance as at March 31, 2025	13	24,24,243	242.42
Add: Shares issued during the year		-	-
As at March 31, 2026	13	24,24,243	242.42

b) Other equity

Particulars	Notes	Retained Earnings	Securities Premium	Cash Flow Hedging Reserve	Total Amount
Balance as at April 01, 2024	14	16,141.67	7,630.24	150.76	23,922.67
Profit for the year		3,389.95	-	-	3,389.95
Items of other comprehensive income for the year :-					
Remeasurement loss of defined benefit obligations (net of tax)		(51.49)	-	-	(51.49)
Loss on cash flow hedge (net of tax)		-	-	(250.76)	(250.76)
Total comprehensive income for the year		3,338.46	-	(250.76)	3,087.70
Balance as at March 31, 2025		19,480.13	7,630.24	(100.00)	27,010.37
Balance as at April 01, 2025		19,480.13	7,630.24	(100.00)	27,010.37
Profit for the year		1,178.43	-	-	1,178.43
Items of other comprehensive income for the year :-					
Remeasurement gain of defined benefit obligations (net of tax)		48.46	-	-	48.46
Loss on cash flow hedge (net of tax)		-	-	(793.89)	(793.89)
Total comprehensive income for the year		1,226.89	-	(793.89)	433.00
Balance as at March 31, 2026		20,707.02	7,630.24	(893.89)	27,443.37

Summary of material accounting policies information

1-3

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

This is the Statement of Changes in Equity referred to in our report of even date

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number : 105047W/W101187

Sripurna De

Sripurna De
Partner
Membership Number: 060978

Place: Gurugram
Date : May 14, 2026



For and on behalf of the Board of Directors of
Nature Bio-Foods Limited
CIN:U15134DL2005PLC143017

Surinder Kumar Arora

Surinder Kumar Arora
Director
DIN No. 01574728

Place: Gurugram
Date : May 08, 2026

Ashwani Kumar Arora

Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : May 08, 2026

Nature Bio Foods Limited
Summary of material accounting policies for the year ended March 31, 2026

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 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. The Board of Directors approved the financial statements for the year ended March 31, 2026 and authorised for issue on May 8, 2026

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) read with 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, 2026

*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

Segments have been identified in accordance with Indian Accounting Standards ("Ind AS") 108 on Operating Segments, considering the risk or return profiles of the business. As required under Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on analysis of various performance indicators. The business activity of the Company predominantly falls within a single reportable business segment viz. manufacture and storage of rice. There are no separate reportable business segments. As part of reporting for geographical segments, the Company operates in three principal geographical areas of the world, i.e., India, America, Europe and other countries (Rest of the world). The aforesaid is in line with review of operating results by the chief operating decision maker.

(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.

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 Statement of profit and 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. In certain contracts, the Company also undertakes transportation and delivery services, which are assessed as a separate performance obligation. The Company allocates the transaction price between the sale of goods and transportation services based on their relative selling prices. Revenue attributable to transportation and delivery services is recognized upon completion of the delivery service, being when the goods reach the designated destination. The Company considers whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated. 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 Rice, 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. In certain arrangements, the Company also provides transportation and delivery services which are considered a separate performance obligation. Accordingly, revenue allocated to the sale of goods is recognized when the Company transfers control of the goods at the point in time the customer takes undisputed delivery of the goods, while revenue allocated to transportation and delivery services is recognized at the point in time when the transportation and delivery services are completed, being upon arrival of the goods at the designated destination.



Nature Bio Foods Limited
Summary of material accounting policies for the year ended March 31, 2026

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.

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.

Interest income:

Interest income from a financial asset is recognised if it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable effective interest rate.

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



(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.

Recognition and initial measurement

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the 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 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.

(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, semi-finished, traded and finished goods

Raw materials and stores, semi-finished, 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. Cost of raw materials, stores and spares and packing material is determined on moving weighted average basis. The cost of finished goods and semi-finished 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



Nature Bio Foods Limited

Summary of material accounting policies for the year ended March 31, 2026

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 statement of profit and 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.



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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).

The Company also classifies financial liabilities from supplier finance arrangements as trade payables if they are of the same nature and has terms comparable to regular trade payables. This applies when the arrangement is part of the normal operating cycle and has similar security levels. The related cash flows are included in operating activities in the statement of cash flows.

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 statement of profit and 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 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 Statement of profit and loss, except for the effective portion of cash flow hedges, which is recognized in Other Comprehensive Income ("OCI") and later reclassified to Statement of profit and 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 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



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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 Statement of profit and 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 of 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
Leasehold Improvements (Building)	1 to 60 years
Plant and Machinery	1 to 15 years
Office Equipment	2 to 10 years
Furniture and fixtures	5 to 10 years
Vehicles	5 to 8 years



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Computers	1 to 5 years
Lab Equipments	10 to 15 years

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 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 Statement of profit and 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 statement of profit and 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



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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 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 Statement of profit and 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) 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. The Company does not recognize contingent liability but discloses its existence in the financial statements.

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.



(xxii) Retirement and other employee benefits

Defined Contribution plan

Retirement benefit in the form of provident fund, employees' state insurance and labour welfare fund is 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), are 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.

(xxiii) 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 equity shareholders 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.

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



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- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(xxiv) 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 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 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.

(xxv) 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.

(xxvi) Rounding off

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

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 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,



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interest/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) **Impairment of Investments** - The Company estimates the value in use of the investments based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value. Further details of the Company's impairment review and key assumptions are set out in note 7(a) of accompanying financial statements.
- c) **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.
- d) **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.
- e) **Inventory** - The valuation of finished rice requires significant management judgment, particularly in estimating overhead absorption rates, rice yield from paddy, and the composition of closing inventory between purchased and manufactured rice. Additionally, the net realisable value of inventories, including by-products, is determined based on the most reliable evidence available at the reporting date, taking into account current market conditions and estimated costs to sell.



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Note 4 : Property, plant and equipment

Particulars	Leasehold improvements Refer note vi below	Plant and machinery	Furniture and fixture	Vehicles	Office equipment	Computers	Lab Equipments	Total
Gross carrying amount								
As at April 01, 2024	3,794.74	4,147.88	165.24	409.25	506.13	145.01	23.48	9,191.73
Additions during the year	701.33	581.01	281.49	97.01	175.11	31.45	-	1,867.40
Disposals during the year	(1.92)	(2.08)	-	(12.48)	-	-	-	(16.48)
As at March 31, 2025	4,494.15	4,726.81	446.73	493.78	681.24	176.46	23.48	11,042.65
Accumulated depreciation								
As at April 01, 2024	2,263.05	2,097.54	139.73	316.39	412.75	119.86	17.82	5,366.54
Depreciation charge during the year	320.08	588.55	48.80	38.65	81.78	22.44	1.07	1,101.37
Disposals during the year	(1.82)	(1.08)	-	(6.44)	-	-	-	(9.34)
As at March 31, 2025	2,581.31	2,685.01	187.93	348.60	494.53	142.30	18.89	6,458.57
Net carrying amount as at March 31, 2025	1,912.84	2,041.80	258.80	145.18	186.71	34.16	4.59	4,584.08
Gross carrying amount								
As at April 01, 2025	4,494.15	4,726.81	446.73	493.78	681.24	176.46	23.48	11,042.65
Additions during the year	47.11	303.26	51.41	2.38	51.72	33.35	-	489.23
Disposals during the year	(1.58)	(137.32)	-	(79.49)	(4.09)	-	-	(222.48)
As at March 31, 2026	4,539.68	4,892.75	498.14	416.67	728.87	209.81	23.48	11,309.40
Accumulated depreciation								
As at April 01, 2025	2,581.31	2,685.01	187.93	348.60	494.53	142.30	18.89	6,458.57
Depreciation charge during the year	238.18	567.47	71.89	44.16	83.21	28.05	0.80	1,033.76
Disposals during the year	(1.50)	(1.17)	-	(73.93)	(3.16)	-	-	(79.76)
As at March 31, 2026	2,817.99	3,251.31	259.82	318.83	574.58	170.35	19.69	7,412.57
Net carrying amount as at March 31, 2026	1,721.69	1,641.44	238.32	97.84	154.29	39.46	3.79	3,896.83

Notes:

- Refer to note 38 for information on property, plant and equipment pledged as security by the Company.
- Refer to note 34 for disclosure of contractual commitments for acquisition of property, plant and equipment.
- During the year, the Company has not revalued its property, plant and equipment during the current and previous year.
- Deletions during the year include assets transferred to Subsidiary Company amounting to INR 136.79 lakhs as stated in Note 35.
- Additions during the year include assets transferred from Subsidiary Company to INR 0.45 lakhs as stated in Note 35.
- Leasehold development includes Temporary & Permanent building constructed on leasehold land and being amortised over the lower of life of lease hold improvement or leasehold land.

Note 4(a) : Capital work-in-progress

Balance at the beginning of the year
Add: Additions during the year
Less: Capitalization during the year
Balance at the end of the year

As at March 31, 2026	As at March 31, 2025
30.50	709.64
20.40	30.50
(23.48)	(709.64)
27.42	30.50

Notes:

- Capital work-in-progress mainly comprises of expense towards plant and machinery.
- There is no capital assets work in progress whose completion is overdue or has exceeded its cost as compared to its original plan.

Ageing of Capital work in progress is as below:

As at March 31, 2026

Particulars	Amount in CWIP for a period of March 31, 2026				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	20.40	7.02	-	-	27.42
Project temporarily Suspended	-	-	-	-	-

As at March 31, 2025

Particulars	Amount in CWIP for a period of March 31, 2025				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	30.50	-	-	-	30.50
Project temporarily Suspended	-	-	-	-	-



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(All amounts are in INR lakhs unless otherwise stated)

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, 2026	As at March 31, 2025
Opening balance	393.87	385.63
Additions	1,354.01	117.16
Amortisation for the year (Refer Note 25)	(148.50)	(108.92)
Net Carrying Value	1,599.38	393.87

Carrying amount of Right of use of assets:

Particulars	As at March 31, 2026	As at March 31, 2025
Land	1,224.47	168.85
Building	374.91	225.02
Total	1,599.38	393.87

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

Right to use	Land	Building
Number of right-of-use assets leased	2	6
Range of remaining lease term	299 to 1206 months	10 to 52 months
Average of remaining lease term	753 months	22 months
No. of lease with purchase option	-	-
No. of lease with variable payments linked to an index	-	-
No. of lease with termination option	2	6

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

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	518.90	493.89
Additions	447.13	117.16
Interest expense on lease liabilities (Refer note 24)	59.60	57.93
Payment of lease liability	(193.40)	(150.08)
Balance at the end of the year	832.23	518.90

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

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease liabilities (Refer note 15 (a))	217.07	119.49
Non Current lease liabilities (Refer note 15 (a))	615.16	399.41

The following are the amounts recognised in profit or loss:

Particulars	As at March 31, 2026	As at March 31, 2025
Amortisation expense of Right-of-use assets (Refer note 25)	148.50	108.92
Interest expense on lease liabilities (Refer note 24)	59.60	57.93
Expenses related to short term and low value leases (Refer note 26)	164.85	127.51
Total	208.10	166.85

Commitments for minimum lease payments:

The below table summarizes the maturity profile of lease liabilities of the Company based on contractual undiscounted payment:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Not later than 1 year	257.97	163.49
Later than 1 year but not later than 5 years	390.91	175.75
More than 5 years	1,820.81	742.26
Total undiscounted lease liabilities	2,469.69	1,081.50
Less: Impact of discounting	(1,637.46)	(562.60)
Total discounted lease liabilities	832.23	518.90

Notes:

- The Company has not revalued its Right-of-use assets during the current year and previous year.
- The above mentioned lease agreements are duly executed in favor of the lessee for the year ended March 31, 2026 and March 31, 2025.
- The Company has applied the weighted average incremental approach to determine the incremental borrowing rate as applicable at the time of execution of the lease agreement.



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Note 6 : Intangible assets

Particulars	Computer Software	Total
Gross carrying amount		
As at April 01, 2024	14.04	14.04
Additions during the year	-	-
Disposals during the year	-	-
As at March 31, 2025	14.04	14.04
Accumulated Depreciation		
As at April 01, 2024	12.94	12.94
Amortisation charge during the year	0.28	0.28
Disposals during the year	-	-
As at March 31, 2025	13.22	13.22
Closing net carrying amount as at March 31, 2025	0.82	0.82
Gross carrying amount		
As at April 01, 2025	14.04	14.04
Additions during the year	37.80	37.80
Disposals during the year	-	-
As at March 31, 2026	51.84	51.84
Accumulated Depreciation		
As at April 01, 2025	13.22	13.22
Amortisation charge during the year	1.73	1.73
Disposals during the year	-	-
As at March 31, 2026	14.95	14.95
Closing net carrying amount as at March 31, 2026	36.89	36.89

Note :

- (i) Details of amortisation expense are stated in Note 25 on Depreciation and amortisation expense.
- (ii) There is no intangible asset under development.
- (i) The Company has not revalued its intangible assets during the current year and previous year.



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Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 7 : Financial Assets

Note 7 (a) Non-current Investments

Investment in equity instruments (unquoted)

Subsidiaries:

47,50,918 (March 31, 2025: 47,50,918) equity shares of Ecopure Specialities Limited, India, fully paid up

10 (March 31, 2025 : 10) equity shares of Nature Bio Foods BV, Netherland, fully paid up

Total Investment in equity Instruments

Amount of unquoted Investments and market value thereof

Amount of Impairment in value of investments

As at March 31, 2026	As at March 31, 2025
3,004.96	3,004.96
0.01	0.01
3,004.97	3,004.97

3,004.97 3,004.97

Note 7 (b) Other Financial assets

Security deposits

Interest accrued but not due on fixed deposits

Export incentive recoverable

Bank deposits*

Total other financial assets

As at March 31, 2026		As at March 31, 2025	
Current	Non Current	Current	Non Current
-	33.75	-	26.60
0.85	-	0.11	-
78.50	-	139.73	-
-	3.00	50.00	3.00
79.35	36.75	189.84	29.60

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

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



Nature Bio-Foods Limited
Notes forming part of the financial statements for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Note 7 (c) : Trade receivables

Unsecured, considered good
Trade receivables*
Less: Allowance for doubtful debts
Total Trade receivables

As at March 31, 2026	As at March 31, 2025
6,164.69	10,366.56
6,164.69	10,366.56

*Refer note 35 for related party balances

Break-up of Trade Receivables

Trade receivables considered good - Secured
Trade receivables considered good - Unsecured
Trade receivables which have significant increase in credit risk
Trade receivables - credit impaired
Total
Less: Allowance for doubtful debts
Total Trade receivables

6,164.69	10,366.56
-	-
-	-
-	-
6,164.69	10,366.56
6,164.69	10,366.56

Notes:

- (i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other persons or from the companies in which Directors hold directorship other than as disclosed in Note 35.
(ii) The Company's exposure to customers is diversified and no single customer other than subsidiaries, contributes more than 10% of the outstanding receivables as at March 31, 2026 and March 31, 2025 respectively.

Ageing as on March 31, 2026		Outstanding for following periods from due date of payment					
Particulars	Not Due	Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade receivables - Considered Good	3,472.12	2,688.21	4.36	-	-	-	6,164.69
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	3,472.12	2,688.21	4.36	-	-	-	6,164.69

Ageing as on March 31, 2025		Outstanding for following periods from due date of payment					
Particulars	Not Due	Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade receivables - Considered Good	3,275.32	7,074.26	16.98	-	-	-	10,366.56
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	3,275.32	7,074.26	16.98	-	-	-	10,366.56

Note 7 (d): Cash and cash equivalents

Cash and cash equivalents

Cash on hand
Balances with banks
-In current accounts
-In deposits with original maturity of less than three months

As at March 31, 2026	As at March 31, 2025
1.97	0.58
582.96	511.27
3.00	-
587.93	511.85

Notes:

- (i) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.
(ii) Cash in hand includes foreign currency amounting to INR 1.40 lakhs (March 31, 2025: INR 0.23 lakhs).

Note 7 (e): Bank balances other than cash and cash equivalents

Deposits with banks with original maturity of more than three months but less than 12 months

As at March 31, 2026	As at March 31, 2025
114.00	-
114.00	-



Note 8 : Deferred tax assets**On temporary difference between the book base and tax base****Deferred tax asset arising on account of :**

	As at March 31, 2026	As at March 31, 2025
Provision for employees benefits	81.87	92.84
Property, plant and equipment and intangible assets	477.87	431.85
Lease Liability	209.46	130.60
Unrealised foreign exchange gain on forward contracts	300.64	33.63
	1,069.84	688.92

Deferred tax liability arising on account of :

Right to use of assets	(174.29)	(99.13)
	(174.29)	(99.13)

Net deferred tax assets*

	895.55	589.79
--	---------------	---------------

* 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****Deferred tax assets/(liabilities) arising on account of:**

	As at April 01, 2025	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2026
Property, plant and equipment	431.85	-	46.02	477.87
Provision for employees benefits	92.84	(16.30)	5.33	81.87
Lease Liability	130.60	-	78.86	209.46
Right to use of assets	(99.13)	-	(75.16)	(174.29)
Unrealised foreign exchange gain on forward contracts	33.63	267.01	-	300.64
Net Deferred tax assets	589.79	250.71	55.05	895.55

Particulars**Deferred tax assets/(liabilities) arising on account of:**

	As at April 01, 2024	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2025
Property, plant and equipment	381.40	-	50.45	431.85
Provision for employees benefits	44.06	17.32	31.46	92.84
Lease Liability	124.31	-	6.29	130.60
Right to use of assets	(97.06)	-	(2.07)	(99.13)
Unrealised foreign exchange gain/(loss) on forward contracts	(50.70)	84.33	-	33.63
Net Deferred tax assets	402.01	101.65	86.13	589.79

Note 9 : Non-current tax assets (net)

Advance income tax [net of provision for tax INR 485.50 lakhs (previous year INR 1,187.62 Lakhs)]

Total Non-current tax assets (net)

	As at March 31, 2026	As at March 31, 2025
Advance income tax [net of provision for tax INR 485.50 lakhs (previous year INR 1,187.62 Lakhs)]	155.28	-
Total Non-current tax assets (net)	155.28	-

Note 10 : Other non-current assets

Unsecured, considered good, unless otherwise stated

Capital advances (Refer note 34 for capital commitments)

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good, unless otherwise stated	24.01	4.33
Capital advances (Refer note 34 for capital commitments)	24.01	4.33



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 11 : Inventories

Raw materials	11,556.80	16,837.17
Semi Finished Goods	10,166.64	5,923.47
Finished goods [including goods in transit of INR 2,253.68 Lakhs (March 31, 2025 INR 1,224.93 lakhs)]	2,434.93	2,306.54
Stock-in-trade [including goods in transit of INR 178.4 lakhs (March 31, 2025 INR Nil)]	2,173.28	1,185.09
Stores and spares	444.80	386.17
Packing Material	550.97	425.69
Total Inventories	27,327.42	27,064.13

As at March 31, 2026	As at March 31, 2025
11,556.80	16,837.17
10,166.64	5,923.47
2,434.93	2,306.54
2,173.28	1,185.09
444.80	386.17
550.97	425.69
27,327.42	27,064.13

Note 12 : Other current assets

Unsecured, considered good, unless otherwise stated

Prepaid expenses	514.01	778.63
Advances to vendors	109.97	358.23
Advance to employees	32.73	24.92
Advance to related parties (Refer note 35 & note (i) below)	-	18.84
Balance with government authority	408.54	539.72
Total other current assets	1,065.25	1,720.34

As at March 31, 2026	As at March 31, 2025
514.01	778.63
109.97	358.23
32.73	24.92
-	18.84
408.54	539.72
1,065.25	1,720.34

(i) Related to advance to company in which director of the company is also a director.

- 18.84



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Note 13 : Equity share capital

Authorised share capital (par value of INR 10)

As at April 01, 2024

Increase during the year

Decrease during the year

As at March 31, 2025

Increase during the year

Decrease during the year

As at March 31, 2026

Equity shares	
Number of shares	Amount
4,900,000	490.00
4,900,000	490.00
-	-
-	-
4,900,000	490

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Issued, subscribed and paid-up equity share capital (par value of Rs 10)

As at April 01, 2024

Add: Shares issued during the year

As at March 31, 2025

Add: Shares issued during the year

As at March 31, 2026

Number of shares	Amount
2,424,243	242.42
-	-
2,424,243	242.42
-	-
2,424,243	242.42

Rights, preferences and restrictions attached to equity shares

The Company has issued one class of equity shares having a par value of INR 10/- per share. Each shareholder is entitled to one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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 :

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding	Number of shares	% holding
LT Foods Limited- Holding Company	2,424,243	100.00	2,424,243	100.00

(iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding	Number of shares	% holding
LT Foods Limited- Holding Company	2,424,243	100.00%	2,424,243	100.00%

(iv) As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(v) No class of equity shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(vi) No class of equity shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(vii) Details of Equity Shares held by Promoters at the end of the year:

Name of the Promoter	As at March 31, 2026		As at March 31, 2025		Change during the year	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Mr. Vijay Kumar Arora (Refer Note (a) below)	1	0.00%	1	0.00%	-	0.00%
Mr. Ashwani Kumar Arora (Refer Note (a) below)	1	0.00%	1	0.00%	-	0.00%
Mr. Surinder Kumar Arora (Refer Note (a) below)	1	0.00%	1	0.00%	-	0.00%
Ms. Vandana Arora (Refer Note (a) below)	1	0.00%	1	0.00%	-	0.00%
Ms. Sakshi Arora (Refer Note (a) below)	1	0.00%	1	0.00%	-	0.00%
Ms. Ranju Arora (Refer Note (a) below)	1	0.00%	1	0.00%	-	0.00%
LT Foods Limited	2,424,237	100.00%	2,424,237	100.00%	-	0.00%
Total Shares	2,424,243	100.00%	2,424,243	100.00%	-	0.00%

Note (a): Nominee shareholders holding in the company as on March 31, 2026 and March 31, 2025.

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



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 14 : Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Reserve and surplus		
Securities premium	7,630.24	7,630.24
Retained earnings	20,707.02	19,480.13
Other reserves		
Cash flow hedging reserves	(893.89)	(100.00)
Total Reserves & Surplus	27,443.37	27,010.37
(i) Securities premium (Refer note (a) below)		
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	7,630.24	7,630.24
Add: Securities Premium	-	-
Balance at the end of the year	7,630.24	7,630.24
(ii) Retained earnings (Refer note (b) below)		
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	19,480.13	16,141.67
Net profit for the year	1,178.43	3,389.95
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement gain/(loss) on post employment defined benefit plans	48.46	(51.49)
Balance at the end of the year	20,707.02	19,480.13
(iii) Cash flow hedging reserves (Refer note (c) below)		
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	(100.00)	150.76
Less: Loss on cashflow hedge reserve, net of tax	(793.89)	(250.76)
Balance at the end of the year	(893.89)	(100.00)

Nature and Purpose of other equity

Note (a) Securities Premium

Security premium represents, amount subscribed for share capital in excess of nominal value. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Companies Act, 2013.

Note (b) Retained Earnings

Retained earnings are the profit/(loss) that the Company has earned/incurred till date. Retained earnings includes remeasurement gain/(loss) on defined benefits (net of taxes) that will not be reclassified to Statement of Profit and loss.

Note (c) Cash flow hedge reserves

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.



Nature Bio-Foods Limited
Notes forming part of the financial statements for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Note 15 : Financial Liabilities

Note 15 (a) : Other non-current financial liabilities

Lease liabilities (Refer note 5)

Total

As at March 31, 2026		As at March 31, 2025	
Non Current	Current	Non Current	Current
615.16	217.07	399.41	119.49
615.16	217.07	399.41	119.49

Note 15 (b) Borrowings

Secured:

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

As at March 31, 2026		As at March 31, 2025	
Non Current	Current	Non Current	Current
-	-	-	1,752.05
-	-	-	1,752.05

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

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. Surlinder 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 38.

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

(a) Packing credit Loan- Loan taken from banks repayable within six months to 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/TBLR which are floating in nature. The interest rate ranges from 6.75% to 8.20%

(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Current Borrowings	Lease Liability	Total Amount
Net debt as on April 01, 2024	(6,696.24)	(493.89)	(7,190.13)
Cash movement:			
-Proceeds	(27,227.33)	-	(27,227.33)
-Repayment	32,171.52	-	32,171.52
-Addition in Lease liability	-	(117.16)	(117.16)
-Principal Payment of lease liability	-	92.15	92.15
Interest expense	(349.38)	(57.93)	(407.31)
Interest paid	349.38	57.93	407.31
Net debt as on March 31, 2025	(1,752.05)	(518.90)	(2,270.95)
Cash movement:			
-Proceeds	(26,586.73)	-	(26,586.73)
-Repayment	28,338.78	-	28,338.78
-Addition in Lease liability	-	(447.13)	(447.13)
-Principal Payment of lease liability	-	133.80	133.80
Interest expense	(284.45)	(59.60)	(344.05)
Interest paid	284.45	59.60	344.05
Net debt as on March 31, 2026	-	(832.23)	(832.23)



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 15 (c) : Trade payables

Total outstanding dues of micro enterprises and small enterprises (Refer note 33)

Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note (i) and (ii) below)

Total trade payables

As at March 31, 2026	As at March 31, 2025
1,691.10	676.73
11,839.82	16,158.83
13,530.92	16,835.56

(i) Includes Trade payable related to related parties (Refer note 35)

(ii) Includes Acceptances (Supplier financing arrangement) (Refer note (a) below)

(a) Acceptances (Supplier financing arrangement)

The Company has established a supplier finance arrangement that is offered to some of the Company's key suppliers in India. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive early payment on invoices sent to the Company from the Company's external finance provider. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by the Company. The Company's settlement terms under the arrangement are broadly aligned with the original credit terms agreed with the supplier. Payment terms with suppliers have not been renegotiated in conjunction with the arrangement. The Company provides no security to the finance provider and there is no change in the Company's original obligation towards the supplier.

Accordingly, the trade payables subject to the supplier financing arrangement are included in trade payables in the balance sheet.

Ageing as on 31 March, 2026

Particulars	Unbilled dues	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) Undisputed dues - total outstanding dues of micro and small enterprises	-	297.89	1,393.21	-	-	-	1,691.10
(ii) Undisputed dues - total outstanding dues of creditors other than micro and small enterprises	671.46	10,261.76	897.94	6.43	0.14	2.09	11,839.82
(iii) Disputed Due- total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed Due- total outstanding dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total trade payables	671.46	10,559.65	2,291.15	6.43	0.14	2.09	13,530.92

Ageing as on 31 March 2025

Particulars	Unbilled dues	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) Undisputed dues - total outstanding dues of micro and small enterprises	-	139.03	537.70	-	-	-	676.73
(ii) Undisputed dues - total outstanding dues of creditors other than micro and small enterprises	905.65	14,526.71	720.90	1.90	2.97	0.70	16,158.83
(iii) Disputed Due- total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-
(iv) Disputed Due- total outstanding dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total trade payables	905.65	14,665.74	1,258.60	1.90	2.97	0.70	16,835.56

Note 15 (d) : Other current financial liabilities

Derivative liabilities

Employees benefit payable

Creditors for capital goods

Other payables

Total other current financial liabilities

As at March 31, 2026	As at March 31, 2025
1,194.53	133.64
255.36	239.69
0.24	1.27
20.40	7.15
1,470.53	381.75



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 16 : Provisions

	As at March 31, 2026		As at March 31, 2025	
	Current	Non Current	Current	Non Current
Employee benefit obligations (Refer below)				
Gratuity (net)	-	201.75	-	247.69
Leave compensation	14.79	108.73	13.26	107.92
Total	14.79	310.48	13.26	355.61

(i) 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 completed years of service. For the funded plan the Company makes contributions to recognized funds in India.

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

Description	As at March 31, 2026	As at March 31, 2025
Current service cost	59.34	71.66
Interest cost (net)	22.35	14.98
Interest Income from plan assets	(4.88)	(6.08)
Past Service Cost	22.01	-
Amount recognised in the statement of profit and loss	98.82	80.56

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

Description	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation at the beginning of the year	321.21	184.08
Current service cost	59.34	71.66
Interest cost (net)	22.35	14.98
Actuarial (gain)/loss recognised during the year	(71.84)	67.57
Benefits paid	(16.53)	(17.08)
Past service cost	22.01	-
Present value of defined benefit obligation at the end of the year	336.54	321.21

ii (c) Breakup of actuarial (gain)/loss:

Description	As at March 31, 2026	As at March 31, 2025
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(14.70)	27.54
Actuarial (gain)/loss on arising from experience adjustment	(57.14)	40.03
Return on plan assets (excluding interest)	7.08	1.24
Total actuarial (gain)/loss recognised in OCI	(64.76)	68.81

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

Description	As at March 31, 2026	As at March 31, 2025
Liability at the beginning of the year	247.69	98.32
Total Charge recognised in profit & Loss	98.82	80.56
Total Remeasurements recognised in Other comprehensive (income)/loss	(64.76)	68.81
Actual Company Contribution	(80.00)	-
Liability at the end of the year	201.75	247.69
Current Liability at the end of the year	-	-
Non current Liability at the end of the year	201.75	247.69



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

ii(e) Change in fair value of assets:

Description	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	73.52	85.76
Interest Income on Plan Assets	4.88	6.08
Actual Company Contributions	80.00	-
Actuarial Loss on plan assets	(7.08)	(1.24)
Benefits paid	(16.53)	(17.08)
Fair value of plan assets at the end of the year	134.79	73.52

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	As at March 31, 2026	As at March 31, 2025
Discount rate	7.29%	6.64%
Estimated Rate of Return on Plan Assets	7.29%	6.64%
Withdrawal rate	10.00%	10.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Rate of increase in compensation	9.00%	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) The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Description	As at March 31, 2026	As at March 31, 2025
Impact of the change in discount rate		
Present value of obligation at the end of the year	336.54	321.21
- Impact due to increase of 1 %	(22.04)	(21.47)
- Impact due to decrease of 1 %	24.90	24.32
Impact of the change in salary increase		
Present value of obligation at the end of the year	-	336.54
- Impact due to increase of 1 %	20.38	18.64
- Impact due to decrease of 1 %	(20.01)	(18.38)

The above sensitivity analysis is 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.

ii(h) Maturity profile of defined benefit obligation (undiscounted)

Description	As at March 31, 2026	As at March 31, 2025
Within next 12 months	28.83	25.36
Between 2-5 years	145.82	137.75
Beyond 5 years	155.69	140.64

ii(i) The net liability of defined benefit obligation is as under:

Description	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation	336.54	321.21
Fair value of plan assets	(134.79)	(73.52)
Excess	201.75	247.69

ii(j) Expected contribution

Description	As at March 31, 2026	As at March 31, 2025
Expected contribution to the fund in the next year	266.43	303.04



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Notes forming part of the financial statements for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

(iii) Leave compensation

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

The amount of the provision of INR 14.79 lakhs (March 31, 2025 INR 13.26 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.

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	As at March 31, 2026	As at March 31, 2025
Discount rate	7.29%	6.64%
Withdrawal rate	10.00%	10.00%
Future basic salary increase	9.00%	9.00%
Retirement age	58 years	58 years

Notes:

1. 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.

2. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

(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.

(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. Refer note 23.

Particulars	As at March 31, 2026	As at March 31, 2025
Provident fund	82.58	81.27
Employees' State Insurance	3.79	5.92
Total	86.37	87.19



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 17 : Other current liabilities

Statutory dues
Advances from customers
Total other current liabilities

As at March 31, 2026	As at March 31, 2025
72.73	79.47
1,098.25	1,174.21
1,170.98	1,253.68

Note 18 : Current tax liabilities(net)

Provision for taxation (Net of Advance Tax)
Total current tax liabilities

As at March 31, 2026	As at March 31, 2025
-	127.08
-	127.08



Note 19 : Revenue from operations

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.

Description

	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products		
Export	53,331.93	53,609.47
Domestic	8,428.31	6,238.35
Other operating revenues		
Sale of Scrap	115.49	88.02
Total revenue from operations	61,875.73	59,935.84

Disaggregation of Revenue

	For the year ended March 31, 2026	For the year ended March 31, 2025
Rice	53,340.97	52,152.00
Others	8,534.76	7,783.84
Total revenue from operations	61,875.73	59,935.84

Timing of revenue recognition

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue recognised over time	-	-
Revenue recognised at point in time	61,875.73	59,935.84
	61,875.73	59,935.84

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

	For the year ended March 31, 2026	Year ended March 31, 2025
Contract price	61,535.09	60,484.61
Adjustments for :		
Incentives and discounts (Quality Claim)	340.64	548.77
Revenue from operations	61,875.73	59,935.84

Contract liabilities related to sale of goods

Description

Advance from customers (Refer Note 17)

As at March 31, 2026		As at March 31, 2025	
Non-current	Current	Non-current	Current
-	1,098.25	-	1,174.21

Revenue recognised in relation to contract liabilities

Description

	For the year ended March 31, 2026	For the year ended March 31, 2025
Amounts included in contract liabilities at the beginning of the year	1,174.21	1,169.60
Performance obligations satisfied in current year	(1,174.21)	(1,169.60)
Amount received in the current year having outstanding performance obligations	1,098.25	1,174.21
Amounts included in contract liabilities at the end of the year	1,098.25	1,174.21

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

Significant changes in contract assets and liabilities

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



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 20 : Other income

	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Other income		
Export incentives	519.45	500.49
Interest income from financial assets (at amortised cost)		
(i) Deposits with banks	2.19	0.32
(ii) Others*	-	7.01
Gain from sale of property, plant and equipment (net)	0.86	1.43
Interest on income tax refund	48.45	-
Net Gain on foreign currency transaction and translations**	41.20	392.47
Miscellaneous income	33.93	35.88
	646.08	937.60

*Others include interest on inter company loan given to Ecopure Specialities Limited.

**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. On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the Statement of Profit and Loss.



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 21 : Cost of materials consumed

a) Cost of raw material consumed

Inventory at the beginning of the year

Add : Purchases during the year

Less : Inventory at the end of the year

Cost of raw material consumed during the year (a)

b) Cost of packing material consumed

Inventory at the beginning of the year

Add : Purchases during the year

Less : Inventory at the end of the year

Cost of packing material consumed during the year (b)

Cost of material consumed during the year (a+b)

Consumption details

Packing material

Paddy

Rice

For the year ended March 31, 2026	For the year ended March 31, 2025
16,837.17	14,221.94
32,046.35	38,471.97
48,883.52	52,693.91
11,556.80	16,837.17
37,326.72	35,856.74
425.69	275.54
1,401.80	1,514.66
1,827.49	1,790.20
550.97	425.69
1,276.52	1,364.51
38,603.24	37,221.25
1,276.52	1,364.51
23,721.68	24,466.81
13,605.04	11,389.93
38,603.24	37,221.25

Note 21(a) : Purchase of Stock-in-trade

Rice

OilSeeds

Others

Total purchases of stock-in-trade

For the year ended March 31, 2026	For the year ended March 31, 2025
10,051.16	-
1,722.76	1,103.49
999.99	1,312.56
12,773.91	2,416.05

Note 22 : Changes in inventories of semi finished goods, finished goods and stock-in-trade

Inventories at the beginning of the year

Semi Finished Goods

Finished Goods

Stock-in-trade

Total inventories at the beginning of the year

Inventories at the end of the year

Semi Finished Goods

Finished Goods

Stock-in-trade

Total inventories at the end of the year

Net increase in inventory

For the year ended March 31, 2026	For the year ended March 31, 2025
5,923.47	4,968.04
2,306.54	2,257.52
1,185.09	727.65
9,415.10	7,953.21
10,166.64	5,923.47
2,434.93	2,306.54
2,173.28	1,185.09
14,774.85	9,415.10
(5,359.75)	(1,461.89)



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 23 : Employee benefits expenses

	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	2,221.62	1,949.36
Gratuity (Refer note 16)	98.82	80.56
Contribution to provident and other funds (Refer note 16)	86.37	87.19
Leave compensation	9.04	49.09
Staff welfare expenses	168.68	152.18
Total Employee benefit expenses	2,584.53	2,318.38

Note 24 : Finance costs

	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest expense on :		
(i) Borrowings (net of subvention interest income of INR 0.21 Lakhs (March 31, 2025: INR 101.31 lakhs))	264.51	324.12
(ii) Interest on supplier financing arrangement	347.62	197.02
(iii) Interest on lease liabilities	59.60	57.93
(b) Bank charges	19.94	25.26
Total finance costs	691.67	604.33

Note 25 : Depreciation and amortisation expenses

	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Depreciation of property, plant and equipment (Refer note 4)	1,033.76	1,101.37
(ii) Amortisation of right-of-use asset (Refer note 5)	148.50	108.92
(iii) Amortisation of intangible assets (Refer note 6)	1.73	0.28
Total depreciation and amortisation expenses	1,183.99	1,210.57



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Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 26 : Other expenses

	For the year ended March 31, 2026	For the year ended March 31, 2025
Milling charges and other process charges	280.43	251.84
Rent (Refer note 5)	164.85	127.51
Consumption of stores and spares parts	535.02	756.58
Power and fuel	649.94	657.18
Labour charges	466.05	413.79
Insurance charges	168.79	138.77
Rates and taxes	97.31	77.36
Auditors' remuneration (Refer note 26 (a) below)	16.25	16.25
Telephone and communication charges	118.30	117.73
Legal and professional charges	782.40	993.90
Repairs and maintenance		
-Plant and machinery	1.19	0.87
-Buildings	51.85	117.00
-Others	197.41	318.08
Conveyance	78.50	68.82
Tour and travelling expenses	565.85	505.14
Donations	1.05	-
Corporate social responsibility expenditure (Refer note (26 (b) below)	62.00	44.50
Freight, Clearing & Forwarding	4,422.35	7,449.41
Testing, inspection and certification	1,249.87	1,408.02
Business promotion	81.21	177.65
Brokerage and commission	29.60	22.29
Commission guarantee	92.02	98.68
Miscellaneous expenses	312.78	311.94
Total other expenses	10,425.02	14,073.31

The Company has entered into rent agreements as a lessee for warehouses and office premises, which are in the nature of short-term leases. These leases has been accounted for applying Paragraph 6 of Ind AS 116 - Leases and accordingly, the Company has recognised expense amounting to INR 164.85 lakhs and INR 127.51 lakhs for the years ended March 31, 2026 and March 31, 2025 respectively.

Notes 26 (a) : Auditors remuneration comprises:

As auditor:

Statutory audit fees (including fees for quarterly reviews)

Total

16.25	16.25
16.25	16.25



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 26 (b) : Corporate Social Responsibility expenditure

In accordance with the provision of Section 135(5) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has constituted a CSR Committee and Board of Directors of every eligible Company, shall ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its CSR Policy. The details of CSR expenditure as are as follows:

i) Gross amount required to be spent by the company during the year	61.37	44.30
ii) Amount approved by board to be spent during the year	61.37	44.30
iii) Amount spent during the year on the following :		
(a) Construction/acquisition of any asset	-	-
(b) On purpose other than (a) above	62.00	44.50
iv) Reason of shortfall	NA	NA

Nature of CSR activities : Contribution to Ecolife Foundation which is an innovative learning organization created to improve the quality of life of underprivileged section & engaged in a broad range of development interventions in different states of India.

The Company does not have any unspent CSR amount or ongoing projects as on March 31, 2026.



Nature Bio-Foods Limited
Notes forming part of the financial statements for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Note 27 : Income tax expenses

The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are:

(a) Income tax expense :

Current Income tax

Current Income tax on profits for the year

Adjustments in respect of current tax related to earlier years

Deferred tax (Refer note 8)

Deferred Tax Benefit

Total Income tax expense

	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Income tax on profits for the year	485.90	1,187.62
Adjustments in respect of current tax related to earlier years	9.92	-
Deferred Tax Benefit	(55.05)	(86.13)
Total Income tax expense	440.77	1,101.49

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025:

Profit before income taxes

Tax at the India's statutory income tax rate of 25.168% (March 31, 2025: 25.168%)

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

Corporate social responsibility expense and other donation

Adjustments in respect of current tax related to earlier years

Others

Total Income tax expense

Profit before income taxes	1,619.20	4,491.44
Tax at the India's statutory income tax rate of 25.168% (March 31, 2025: 25.168%)	407.52	1,130.41
Corporate social responsibility expense and other donation	15.87	11.20
Adjustments in respect of current tax related to earlier years	9.92	-
Others	7.46	(40.12)
Total Income tax expense	440.77	1,101.49

Note 28 : Earnings per share (EPS)

(a) Net profit after tax available for equity shareholders

(b) Weighted average number of equity shares of Rs. 10 each outstanding during the year

(c) Weighted average number of equity shares and potential equity shares during the year

Basic earnings per share (in INR) (a/b) [Refer note (i) below]

Diluted earnings per share (in INR) (a/c) [Refer note (ii) below]

	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Net profit after tax available for equity shareholders	1,178.43	3,389.95
(b) Weighted average number of equity shares of Rs. 10 each outstanding during the year	2,424,243	2,424,243
(c) Weighted average number of equity shares and potential equity shares during the year	2,424,243	2,424,243
Basic earnings per share (in INR) (a/b) [Refer note (i) below]	48.61	139.84
Diluted earnings per share (in INR) (a/c) [Refer note (ii) below]	48.61	139.84

(i) Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

(ii) Diluted earnings amount is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 29 : Fair value measurements

(i) The carrying amounts of financial assets and liabilities by categories

The management assessed that carrying value of trade receivables, cash and cash equivalents, Bank balances other than cash and cash equivalents, other financial assets, lease liabilities, trade payables and other financial liabilities approximates their fair value amounts largely due to short term maturities of these instruments.

Particulars	As at March 31, 2026			As at March 31, 2025		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	6,164.69	-	-	10,366.56
Cash and cash equivalents	-	-	587.93	-	-	511.85
Bank balances other than cash and cash equivalents	-	-	114.00	-	-	-
Other financial assets	-	-	116.10	-	-	219.44
Total	-	-	6,982.72	-	-	11,097.85
Financial liabilities						
Borrowings	-	-	-	-	-	1,752.05
Lease liability	-	-	832.23	-	-	518.90
Trade payables	-	-	13,530.92	-	-	16,835.56
Other financial liabilities	1,194.53	-	276.00	133.64	-	248.12
Total	1,194.53	-	14,639.15	133.64	-	19,354.63

Note: 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

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

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.

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.

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Note	As at March 31, 2026			As at March 31, 2025		
		Level 1	Level 2	Level 3 *	Level 1	Level 2	Level 3
Financial Liability							
Derivative liabilities	15 (d)		1,194.53			133.64	

Valuation process and technique used to determine fair value

(i) The Company does not have any significant investments in equity instruments, hence no fair value adjustments have been made.

(ii) 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) Financial Asset and liabilities measured at amortized cost for which fair values are disclosed

Particulars	Notes	As at March 31, 2026			As at March 31, 2025		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
Trade receivables	7 (c)	-	-	6,164.69	-	-	10,366.56
Cash and cash equivalents	7 (d)	-	-	587.93	-	-	511.85
Bank balances other than cash and cash equivalents	7 (e)	-	-	114.00	-	-	-
Other financial assets	7 (b)	-	-	116.10	-	-	219.44
Financial liabilities							
Borrowings	15 (b)	-	-	-	-	-	1,752.05
Lease liability	15 (a)	-	-	832.23	-	-	518.90
Trade payables	15 (c)	-	-	13,530.92	-	-	16,835.56
Other financial liabilities	15 (d)	-	-	276.00	-	-	248.12

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.

All the borrowing facilities (other than vehicles loans) availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.



Nature Bio-Foods Limited
Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 30 : 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 Company is exposed to and how the Company manages the risk and the related impact in the financial statements. The Company does not have any significant investments in equity instruments which create an exposure to price risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, favourable derivative financial instruments, 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, borrowings and other liabilities	- Rolling cash flow forecast	Regular review of working capital, resulting in effective and efficient working capital management.
Market risk- Interest rates	Borrowings at variable rates	- Sensitivity analysis	Negotiation of terms that reflects the market factors
Market risk- foreign exchange risk	Future commercial transactions, Recognised financial assets and liabilities not denominated in Indian Rupees(INR)	- Cash flow forecasting - Sensitivity analysis	Foreign exchange forward contracts to hedge foreign currency risk exposures

(A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk principally from the trade receivables and other financial assets including cash & bank balances and loans. The carrying amount of financial assets represents the maximum credit exposure.

Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

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 operates 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 of 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 or meet 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
As at March 31, 2026					
Trade payables (Refer note 15 (c))	13,530.92	13,522.26		8.66	13,530.92
Other financial liabilities (Refer note 15 (d))	1,470.53	1,470.53			1,470.53
Lease Liability (Refer note 15(a))	832.23	128.99	128.99	2,211.72	2,469.69
Total	15,833.68	15,121.78	128.99	2,220.38	17,471.14
As at March 31, 2025					
Borrowings (Refer note 15 (b))	1,752.05	1,752.05			1,752.05
Trade payables (Refer note 15 (c))	16,835.56	16,835.56			16,835.56
Other financial liabilities (Refer note 15 (d))	341.74	341.76			381.76
Lease Liability (Refer note 15(a))	538.90	81.75	81.75	918.01	1,081.60
Total	19,468.27	19,051.12	81.75	918.01	20,050.87

H) 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, 2026	As at March 31, 2025
- Expiring within one year (packing credit loan)	9,900.00	8,147.95
Total	9,900.00	8,147.95



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Notes forming part of financial statements for the year ended March 31, 2026
(All amounts are in INR lakh, unless otherwise stated)

(C) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices and 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), Pound Sterling (GBP) 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.

(i) Foreign currency risk exposure

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

Currency	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	In INR	Foreign currency	In INR
Trade payable				
Euro (EUR)	1.23	134.08	0.17	15.85
United States Dollar (USD)	1.20	113.59	1.30	110.95
Pound Sterling (GBP)				
Trade receivable				
Euro (EUR)	37.05	4,038.69	83.40	7,609.50
United States Dollar (USD)	17.87	1,691.47	20.00	1,712.00
Pound Sterling (GBP)	4.20	527.67	7.06	782.25
Foreign exchange forward contracts (Sell foreign currency)				
Euro (EUR)	(137.49)	(14,987.60)	(176.91)	(16,333.27)
United States Dollar (USD)	(108.64)	(10,283.49)	(118.44)	(10,136.03)
Pound Sterling (GBP)	(1.86)	(233.96)	(26.18)	(2,898.69)
Net exposure:				
Euro (EUR)	(101.67)	(10,814.83)	(93.48)	(8,549.02)
United States Dollar (USD)	(91.97)	(9,476.43)	(99.74)	(8,514.98)
Pound Sterling (GBP)	2.34	293.71	(19.12)	(2,116.44)

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

Particulars

	Year end spot rate	
	As at March 31, 2026	As at March 31, 2025
Euro (EUR)	109.01	92.32
United States Dollar (USD)	94.65	85.58
Pound Sterling (GBP)	125.63	110.74

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

As at March 31, 2026

Type of hedge and risks	Nominal value #		Carrying amount of hedging instrument ##		Maturity dates	Hedge ratio	Average strike price	Gain / (loss) in fair value of hedging instrument	Gain / (loss) in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash flow hedge									
Foreign currency risk									
Foreign exchange forward contracts		24,733.39		(1,194.53)	USD: 30 April 2026 - 29 Jan 2027 Euro: 24 April 2026 - 26 Feb 2027 GBP: 30 April 2026 - 30 April 2026	1:1	USD: 91.56 Euro: 105.93 GBP: 131.11	(1,194.53)	1,194.53

Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying amount of hedging instrument is the marked to market loss on the instrument as on reporting date



(All amounts are in INR lakhs unless otherwise stated)

As at March 31, 2025

[illegible]

Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying amount of hedging instrument is the marked to market loss on the instrument as on reporting date

(b) Movements in cash flow hedging reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	(100.00)	150.76
Add: Changes in fair value of forward contracts	(113.66)	(427.90)
Less: Amount reclassified to profit or loss	(947.25)	92.81
Less: Tax impact to above (net)	267.01	84.33
Change during the year	(793.90)	(230.76)
Closing Balance	(893.90)	(100.00)



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

(c) Sensitivity

A reasonably possible strengthening (weakening) of the Euro and US dollar against all other currencies at March 31, 2026 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, 2026				As at March 31, 2025			
	Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)		Effect on profit after tax Gain/(Loss)		Effect on other components of equity Gain/(Loss)	
	1% Weakening*	1% Strengthening*	1% Weakening*	1% Strengthening*	1% Weakening*	1% Strengthening*	1% Weakening*	1% Strengthening*
Euro (EUR)	(29.22)	29.22	(112.16)	112.16	(57.50)	57.50	(122.23)	122.23
United States Dollar (USD)	(11.81)	11.81	(76.95)	76.95	(11.98)	11.98	(75.85)	75.85
Pound Sterling (GBP)	(3.95)	3.95	(1.75)	(0.89)	(5.85)	5.85	(21.69)	21.69

* Holding all other variables constant.

(2) Interest rate risk

(i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2026 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	As at March 31, 2026	As at March 31, 2025
Variable rate borrowing		
Fixed rate borrowing		
Total borrowings		

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

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.

-Impact due to change by 50 basis points*

*Holding all other variable constant

(ii) 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.

(3) 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 financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 31 : 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. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

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

Particulars	As at March 31, 2026	As at March 31, 2025
Total Borrowings & lease liability	832.23	2,270.95
Less : Cash and cash equivalents	(587.93)	(511.85)
Net debt	244.30	1,759.10
Total Equity	27,685.79	27,252.79
Adjusted net debt to adjusted equity ratio	0.009	0.065

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

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

Particulars	As at March 31, 2026 In times	As at March 31, 2025 In times
(a) Current Ratio	2.15	1.95
(b) Interest Coverage	3.34	12.03
(c) IBD/EBITDA	-	NA



Nature Bio-Foods Limited
Notes forming part of the financial statements for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Note 32 : Contingent Liabilities

	As at March 31, 2026	As at March 31, 2025
Income tax demands*	-	9.63
Duty saved under EPCG licenses (export obligation outstanding INR 185.13 Lakhs (March 31, 2025: INR 139.72 Lakhs)	54.15	23.29
Total	54.15	32.92

*The matters related to Income tax has since been finally adjudicated and settled in favour of the Company. Accordingly, no amount is payable by the Company in respect of the aforesaid demand, and no provision or contingent liabilities are required to be recognised in the financial statements.

Note 33: Details of amounts outstanding to Micro and Small Enterprises as defined under the MSMED Act, 2006:

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	As at March 31, 2026	As at March 31, 2025
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	1,691.10	676.73
- Principal amount remaining unpaid	-	-
- Interest accrued and remaining unpaid as at year end	-	-
(ii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) 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.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the year	-	1.00
(v) 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.	-	-

Note 34: Commitments

(a) Capital commitments

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

	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance of INR 24.01 lakhs, March 31, 2025: INR 4.33 lakhs)	2,285.72	13.55



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 36: Segment Information

Segments have been identified in accordance with Indian Accounting Standards ("Ind AS") 108 on Operating Segments, considering the risk or return profiles of the business. As required under Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on analysis of various performance indicators. The business activity of the Company predominantly falls within a single reportable business segment viz. manufacture and storage of rice. There are no separate reportable business segments. As part of reporting for geographical segments, the Company operates in three principal geographical areas of the world, i.e., India, America, Europe and other countries (Rest of the world). The aforesaid is in line with review of operating results by the chief operating decision maker.

The geographic information analyses the revenue and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographic information, segment revenue was based on the geographic location of customers and segment assets were based on the geographic location of the assets.

Revenue Information on the basis of products sold

Particulars	As at March 31, 2026	As at March 31, 2025
Rice	53,340.97	52,152.00
Others	8,534.76	7,783.84
Total	61,875.73	59,935.84

Revenue Information on the basis of Geographical Areas

Particulars	As at March 31, 2026	As at March 31, 2025
In America	33,369.07	22,691.64
In Europe	19,791.15	30,073.38
In India	8,500.90	6,326.37
Other Countries	214.61	844.45
Total	61,875.73	59,935.84

Non Current assets Information on the basis of Geographical Areas

Particulars	As at March 31, 2026	As at March 31, 2025
In America	-	-
In Europe	0.01	0.01
In India	9,677.06	8,637.94
Other Countries	-	-
Total	9,677.07	8,637.95



Nature Bio-Foods Limited
Notes forming part of the financial statements for the year ended March 31, 2026
(All amounts are in INR lakhs unless otherwise stated)

Note 37: Disclosure of Ratios

S No.	Ratio	Formula	Particulars	Numerator	Denominator	Ratio as on As at March 31, 2026	Ratio as on As at March 31, 2025	Variation
(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		2.15	1.95	10.72%
(b)	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases		(Opening Trade Payables + Closing Trade Payables)/2	3.05	3.79	(19.49%)
(c)	Net capital turnover ratio	Revenue / Average Working Capital	Revenue from Operations		Average Working Capital= Average of Current assets - Current liabilities	3.23	3.40	(4.93%)
(d)	Net profit ratio	Net Profit / Net Sales	Net Profit		Revenue from Operations	0.02	0.06	(66.33%)
(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	0.08	0.17	(53.82%)
(f)	Return on investment	Net Profit / Net Investment	Net Profit		Net Investment= Net Equity	0.04	0.12	(65.78%)
(g)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + short term borrowing + Non-current and current lease liabilities		Equity= Equity + Reserve and surplus	0.03	0.08	(63.23%)
(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.	4.34	12.67	(65.75%)
(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	0.04	0.12	(65.78%)
(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	1.69	1.54	10.13%
(k)	Trade Receivables turnover ratio	Net Credit Sales / Average Trade Receivables	Revenue from Operations		(Opening Trade Receivables + Closing Trade Receivable)/2	7.49	7.57	(1.15%)

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

Remarks:

Net profit ratio: In current year, net profit has been decreased due to which Net profit ratio has been decreased.
Return on Capital employed: Decrease in profit during the current year lead to reduction in return on capital employed ratio.
Return on Investment: Decrease in net profit lead to reduction in Return on investment ratio in current year
Debt-Equity Ratio: Debt equity ratio has been decreased due to reduction of borrowings in current year.
Debt Service Coverage Ratio: Decrease in Net operating income resulted in reduction of debt service coverage ratio
Return on Equity Ratio: Decrease in net profit after taxes resulted in reduction of return on equity ratio.



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 38 : Assets pledged as security

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

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Current assets			
Trade receivables	7 (c)	6,164.69	10,366.56
Cash and cash equivalents	7 (d)	587.93	511.85
Bank Balance other than cash and cash equivalent	7 (e)	114.00	-
Other Financial Assets	7 (b)	79.35	189.84
Inventory	11	27,327.42	27,064.13
Other Current Assets		1,065.25	1,720.34
Total current assets pledged as security	A	35,338.64	39,852.72
Non-current assets			
Property, plant and equipment (excluding leasehold improvements)	4	2,212.04	2,671.24
Total non-current assets pledged as security	B	2,212.04	2,671.24
Total assets pledged as security	(A+B)	37,550.68	42,523.96

Note 39 : New and amended standards adopted by the Company

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

a. Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The Company has evaluated and provided disclosure with respect to supplier financing arrangement in note 15 (c).

b. Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

- An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer.
- If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

c. Amendment to Ind AS 12 - Pillar-Two Tax Reforms:

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

d. Amendment to Ind AS 21-Lack of Exchangeability

The amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.

New and amended standards issued but not effective

Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

- Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
- Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or financial statements.

Note 40 : Events occurring after the balance sheet date

The Company evaluates events occurring after the reporting period and up to the date of approval of the financial statements to determine whether any such events require adjustment to or disclosure in the financial statements and there were no material events occurring after the reporting period that required adjustment or disclosure in these financial statements.



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs unless otherwise stated)

Note 41: On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes' - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed that there is no significant impact on its financial statements with respect to the implementation of New Labour Code. The Company continues to monitor the finalisation of Central/State Rules and clarifications from the Government on other aspects of the Labour Code and would provide

Note 42 : As per the international transfer pricing norms introduced in India with effect from April 01, 2001, the Company is required to use certain specified methods in computing arm's length price of international transactions between the 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 year. 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 43 : 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 44: 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 borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such borrowings were taken.
- (xi) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (xii) 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 45: The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with at application level. However, with respect to the database level of the said software which has been managed and maintained by a third-party service provider. In the absence of sufficient and appropriate audit evidence, we are unable to assess whether the database of the software to log any direct changes has a feature of recording audit trail (edit log) facility and whether the same has been enabled and operated throughout the year for all relevant transaction recorded or whether there is any instance of audit trail feature being tampered with. Additionally, in the absence of sufficient and appropriate audit evidence, we are unable to assess whether the audit trail of previous years has been preserved by the Company as per the statutory requirements for record retention.

Note 46: Approval of financial statements - The financial statements were authorised for issue by the Board of Directors as on May 08, 2026.

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number : 105047W/W101187

Sriparna De
Partner
Membership Number: 060978

Place: Gurugram
Date : May 14, 2026



For and on behalf of the Board of Directors of
Nature Bio-Foods Limited
CIN:U15134DL2005PLC143017

Surinder Kumar Arora
Director
DIN No. 01574728

Place: Gurugram
Date : May 08, 2026

Ashwani Kumar Arora
Director
DIN No. 01574773

Place: Gurugram
Date : May 08, 2026