

# MAPSS AND COMPANY

CHARTERED ACCOUNTANTS  
C-40, Second Floor, Ten Tower  
Above Indian Bank, Sec-15,  
Vasundhara, Ghaziabad-201012  
Tel: 0120-4166486  
Email: gpa001@gmail.com



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of FNS Agro Foods Limited

### **Opinion**

We have audited the accompanying financial statements of FNS Agro Foods Limited ("the Company"), which comprise the balance sheet as at March 31, 2025, 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 ended on that date and a summary of significant accounting policies 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 the 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, 2025 and its profit, total 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 ("SA"s) 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. 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

On the facts and circumstances of the company and the audit, we determine that there are no key audit matters to communicate.



### **Information other than the financial statements and auditors' report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those 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 the financial statements.

As part of an audit in accordance with 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, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act subject to the matters specified in key audit matters and other matters.
- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g) With respect to the matter to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.
- 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, as amended, 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 no. 26 to the financial statements.
  - ii. The Company has not made any provision against the pending litigation as the company believes that these claims are not tenable and hence no provisioning made by the company.
  - iii. There were no amounts as on 31<sup>st</sup> March 2025, which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. As stated in note 2.16 to the accompanying financial statement, the Board of Directors of the company has recognizes a liability to pay dividend to equity holders of the parent when the distribution is authorized, and the distribution is no longer at the discretion of the company. As per corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity. The Company has not declared dividend during the period under review.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company with effect from financial year beginning April 1, 2024, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is applicable. The Company have feature of audit trail, edit log and related matters in the accounting software used by the company.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we have given "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For MAPSS AND COMPANY**

**Chartered Accountants**

**Firm Regn No. 012796C**

**CA GYAN CHANDRA MISRA**

**Partner**

**Membership No. 078183**

**UDIN: 25078183BMJFRI8540**

**Date: 06-05-2025**

**Place: New Delhi**

## **Annexure ‘A’ TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of FNS Agro Foods Limited of even date)**

**Report on the Internal Financial Controls with reference to Financials Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls with reference to financial statements of FNS Agro Foods Limited (the “Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s and Board of Directors’ Responsibility for Internal Financial Controls**

The Company’s Management and Board of Directors is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 on Audit of Internal Financial Controls Over Financial Reporting (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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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 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 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 authorisations 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 over financial reporting, 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.

### **Opinion**

In our opinion, 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, 2025, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For MAPSS AND COMPANY**

**Chartered Accountants**

**Firm Regn No. 012796C**

  
**CA GYAN CHANDRA MISRA**

**Partner**

**Membership No. 078183**

**UDIN: 25078183BMJFRI8540**

**Date: 06-05-2025**

**Place: New Delhi**

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of FNS Agro Foods Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that: We report that:

(i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) No Intangible assets during the period under review;

(b) As explained to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with the programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company except the following: -

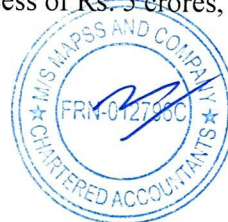
Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
NIL					

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) As explained to us and on the basis of our examination of the records of the company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) As explained to us and on the basis of our examination of the records of the company, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.

(b) The company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at



any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, During the year, the Company has not made any investments, not 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. hence clause 3(iii)(a) is not required to report.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, During the year, the Company has not made any investments, not 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. hence clause 3(iii)(b) is not required to report.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, hence clause 3(iii)(c) is not required to report.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the company, company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, hence clause 3(iii)(d) is not required to report.

(e) No loan or advance in the nature of loan granted which has fallen due during the year, nor has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, hence clause 3(iii)(e) is not required to report.

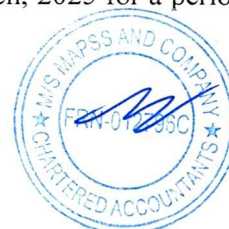
(f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has neither made any investments nor has it given loans or provided guarantee or security to which provisions of sections of 185 and 186 of the Companies Act, 2013 applies, hence clause 3(iv) is not required to report.

(v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013, hence clause 3(v) is not required to report.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii)(a) According to the records made available to us and on the basis of our examination of the records of the company, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us and on the basis of our examination of the records of the company, there were no outstanding statutory dues as on 31st of March, 2025 for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute, hence clause 3(vii)(b) is not required to report.

(viii) According to the information and explanations given by the management and on the basis of our examination of the records of the company, there were no transactions related to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year.

(b) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the company is not declared willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given by the management, the Company has not obtained any term loans during the year, hence clause 3(ix)(c) is not required to report.

(d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.

(e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, as the company does not have any such subsidiaries, associates, or joint ventures. hence clause 3(ix)(e) is not required to report.

(f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Further, the company does not have any subsidiaries, joint ventures, or associate companies. hence clause 3(ix)(f) is not required to report.

(x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. hence clause 3(x)(a) is not required to report.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. hence clause 3(x)(b) is not required to report.

(xi) (a) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, no fraud by the company or any fraud on the company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us by the management, no whistle-blower complaints have been received by the company.



(xii) The company is not a Nidhi Company. Therefore, clause 3(xii) is not applicable on the company.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, the provisions of internal audit are not applicable to the company under section 138 of the companies Act, 2013, hence clause 3(xiv)(a) is not applicable on the company.

(b) Since the company is not required to appoint an internal auditor, clause (xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). hence clause 3(xvi)(a) is not required to report.

(b) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). hence clause 3(xvi)(b) is not required to report.

(c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence clause 3(xvi)(c) is not required to report.

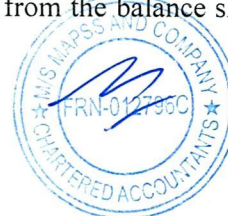
(d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group. hence clause 3(xvi)(d) is not required to report.

(xvii) Based on our examination, the company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(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, ageing and expected dates of realization 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) In our opinion and according to the information and explanations given to us, the provisions of section 135 of companies Act 2013 are not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The Reporting under clause 3(xxi) is not applicable as the company does not have any subsidiaries, Associates and Joint ventures.

**For MAPSS AND COMPANY**  
**Chartered Accountants**  
**Firm Regn No. 012796C**

  
**CA GYAN CHANDRA MISRA**  
**Partner**

**Membership No. 078183**

**UDIN: 25078183BMJFRI8540**

**Date: 06-05-2025**

**Place: New Delhi**

# FNS Agro Foods Limited

Balance sheet as at March 31, 2025

(Rs in '000)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>(A) Non-current assets</b>			
<b>Total non-current assets</b>		-	-
<b>(B) Current assets</b>			
(a) Property, plant and equipment	(3)	-	935
(b) Financial assets			
(i) Other financial assets	(6)	45,603	4,146
(ii) Cash and cash equivalents	(7)	1,143	41,407
(c) Income tax assets		4,118	5,283
(d) Other current assets	(8)	-	184
<b>Total current assets</b>		<b>50,864</b>	<b>51,955</b>
<b>Total assets</b>		<b>50,864</b>	<b>51,955</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(A) Equity</b>			
(a) Equity Share capital	(9)	8,956	8,956
(b) Other equity	(10)	41,757	40,727
<b>Total equity</b>		<b>50,713</b>	<b>49,683</b>
<b>(B) Liabilities</b>			
<b>(I) Non-current liabilities</b>			
<b>Total non-current liabilities</b>		-	-
<b>(II) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	(11)	-	2,195
(ii) Trade payables	(12)	-	-
- Total outstanding dues of micro enterprise and small enterprises		-	-
- Total outstanding dues other than micro enterprises and small enterprises		10	10
(b) Other current liabilities	(13)	-	67
(c) Current tax liabilities		141	-
<b>Total current liabilities</b>		<b>151</b>	<b>2,272</b>
<b>Total Equity and Liabilities</b>		<b>50,864</b>	<b>51,955</b>

Corporate information and material accounting policies

The accompanying notes from 1 to 32 forms an integral part of the financial statements

As per our audit report of even date attached

**FOR MAPSS AND COMPANY**

Chartered Accountants

Firm's Registration Number: 012796C

**CA Gyan Chandra Misra**

Partner

Membership Number: 078183

Place : Delhi

Date : May 06, 2025

UDIN : 25078183BMJFRI8540

For and on Behalf of the Board of

FNS Agro Foods Limited

**FOR FNS AGRO FOODS LTD.**

CIN: U74899DL1994PLC061518

**Mohammed Shahid**

**Hameed**

Director

DIN : 09137357

Place : New Delhi

Date : April 16, 2025

**Viswambharan**

**Parmeshwaran**

Director

DIN : 09822921

Place : New Delhi

Date : April 16, 2025

# FNS Agro Foods Limited

Statement of profit and loss for the year ended March 31, 2025

(Rs in '000)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
<b>(1) Income</b>			
(a) Revenue from operations		-	-
(b) Other income	(14)	3,059	53,951
<b>Total Income</b>		<b>3,059</b>	<b>53,951</b>
<b>(2) Expenses</b>			
(a) Finance costs	(15)	152	-
(b) Depreciation expense	(16)	-	866
(c) Other expenses	(17)	1,233	2,235
<b>Total Expenses</b>		<b>1,385</b>	<b>3,101</b>
<b>(3) Profit before tax (1-2)</b>		<b>1,674</b>	<b>50,850</b>
<b>(4) Tax expense</b>			
(a) Current tax	(22)	421	6,845
(b) Tax expense relating to prior years		223	-
(c) Deferred tax charge / (credit)		-	4,115
<b>Total tax expense</b>		<b>644</b>	<b>10,960</b>
<b>(5) Profit for the year</b>		<b>1,030</b>	<b>39,890</b>
<b>(6) Other comprehensive income</b>			
(1) Items that will not be reclassified to Profit / (Loss)		-	-
(2) Items that will be reclassified to Profit / (Loss)		-	-
<b>Total other comprehensive income/(loss)</b>		<b>-</b>	<b>-</b>
<b>(7) Total comprehensive income for the year</b>		<b>1,030</b>	<b>39,890</b>
<b>Earnings per share (EPS) (Rupees per share)</b>			
Basic and diluted Earnings Per Share (in Rs)	(21)	1.15	44.54

Corporate information and material accounting policies 1-2  
The accompanying notes from 1 to 32 forms an integral part of the financial statements

As per our audit report of even date attached

**FOR MAPSS AND COMPANY**

Chartered Accountants

Firm's Registration Number: 012796C

**CA Gyan Chandra Misra**

Partner

Membership Number: 078183

Place : Ghaziabad

Date : May 06, 2025

UDIN : 25078183BMJFRI8540

For and on Behalf of the Board of  
**FNS Agro Foods Limited**

CIN: U74899DL1994PLC061518

**Mohammed Shahid  
Hameed**

Director

DIN : 09137357

Place : New Delhi

Date : April 16, 2025

**Viswambharan  
Parmeshwaran**

Director

DIN : 09822921

Place : New Delhi

Date : April 16, 2025

# FNS Agro Foods Limited

Statement of cash flows for the year ended March 31, 2025

(Rs in '000)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>(A) Cashflows from operating activities</b>		
Profit before tax and exceptional items	1,674	50,850
<b>Adjusted for :</b>		
Depreciation and amortisation	-	866
Profit on sale of fixed assets	(115)	(53,934)
Sundry balance (write back)/write off	1,197	(17)
Interest Income	(2,800)	-
<b>Operating cash flow before working capital changes</b>	<b>(44)</b>	<b>(2,237)</b>
<b>Adjustment for changes in working capital:</b>		
Increase in trade payables	(1,197)	(103)
Increase/(Decrease) in trade receivables	1,263	(3,150)
(Increase)/Decrease in other current assets	184	(143)
Increase/(Decrease) in other current liabilities	(67)	1
<b>Cash generated from operations</b>	<b>139</b>	<b>(5,631)</b>
Taxes paid (net of refunds)	661	(10,825)
<b>Net cashflows from operating activities</b>	<b>800</b>	<b>(16,456)</b>
<b>(B) Cashflows from investing activities</b>		
Sale of fixed assets	1,050	87,034
Investment in deposits	(42,720)	-
Interest Received during the year	2,800	(935)
<b>Net cashflows from investing activities</b>	<b>(38,870)</b>	<b>86,099</b>
<b>C. Cashflows from financing activities</b>		
Proceeds/(Repayment) of borrowings	(2,195)	(28,498)
<b>Net cashflows from financing activities</b>	<b>(2,195)</b>	<b>(28,498)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A)</b>	<b>(40,265)</b>	<b>41,145</b>
Cash and cash equivalents at the beginning of the year	41,407	261
<b>Cash and cash equivalents at the end of the year</b>	<b>1,142</b>	<b>41,407</b>
<b>Components of Cash and cash equivalents</b>		
Balance with Banks in Current Account	1,138	41,401
Cash in hand	5	6
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,142</b>	<b>41,407</b>

## Notes :

The cashflow statement has been prepared under the indirect method as set out in Indian Accounting standard (Ind AS 7) Statement of cash flows' as specified under section 133 of the Companies Act, 2013.

As per our audit report of even date attached

## FOR MAPSS AND COMPANY

Chartered Accountants

Firm's Registration Number: 012796C

CA Gyan Chandra Misra

Partner

Membership Number: 078183

Place : Ghaziabad

Date : May 06, 2025

UDIN : 25078183BMJFRI8540

For and on Behalf of the Board of

**FNS Agro Foods Limited**

**For FNS AGRO FOODS LTD.**

CIN: 1174809DL1994PLC061518

**Mohammed Shahid Hameed**

Director

DIN : 09137357

Place : New Delhi

Date : April 16, 2025

**Viswambharan Parmeshwaran**

Director

DIN : 09822921

Place : New Delhi

Date : April 16, 2025

# FNS Agro Foods Limited

## Statement of Changes in Equity for the year ended March 31, 2025

### (A) Equity share capital

(Rs in '000)

Particulars	Amount
Balance as at April 1, 2023	8,956
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2024</b>	<b>8,956</b>
Balance as at April 1, 2024	8,956
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2025</b>	<b>8,956</b>

Note: There are no changes in Equity Share Capital due to prior period errors

### (B) Other equity

(Rs in '000)

Particulars	Reserve and Surplus	Total equity
	Retained earnings	
<b>Balance as at April 1, 2023</b>	<b>838</b>	<b>838</b>
Profit/(loss) for the year	39,890	39,890
<b>Balance as at March 31, 2024</b>	<b>40,727</b>	<b>40,727</b>
<b>Balance as at April 1, 2024</b>	<b>40,727</b>	<b>40,727</b>
Profit/(loss) for the year	1,030	1,030
<b>Balance as at March 31, 2025</b>	<b>41,757</b>	<b>41,757</b>

Note: There are no changes in accounting policy or prior period errors which are charged to retained earnings

### Nature and purpose of reserves

**(a) Retained Earnings:** Retained earnings are the profits that the Company has earned till date net of appropriations. It is available for distribution to Shareholders.

The accompanying notes from 1 to 32 forms an integral part of the financial statements

As per our report of even date attached.

**FOR MAPSS AND COMPANY**  
Chartered Accountants  
Firm's Registration Number: 012796C

**CA Gyan Chandra Misra**  
Partner  
Membership Number: 078183  
Place : Ghaziabad  
Date : May 06, 2025  
UDIN : 25078183BMJFRI8540

For and on Behalf of the Board of

**FNS Agro Foods Limited**

CIN: U74899DL1994PLC061518

**Mohammed Shahid Hameed**  
Director  
DIN : 09137357  
Place : New Delhi  
Date : April 16, 2025

**Viswambharan Parmeshwaran**  
Director  
DIN : 09822921  
Place : New Delhi  
Date : April 16, 2025

# FNS Agro Foods Limited

## Notes to the financial statements as at March 31, 2025

### (3) Property, plant and equipment

(Rs in '000)

Particulars	Land (Freehold)	Buildings	Plant & Machinery	Office Equipments	Total
<b>Gross carrying value as on April 01, 2024</b>	<b>935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>935</b>
Addition	-	-	-	-	-
Deletions	935	-	-	-	935
<b>Gross carrying value as on March 31, 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accumulated depreciation as on April 01, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation for the period	-	-	-	-	-
Deductions/Adjustments	-	-	-	-	-
<b>Accumulated depreciation as on March 31, 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net carrying value as on March 31, 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gross carrying value as on April 01, 2023</b>	<b>12,866</b>	<b>7,655</b>	<b>33,465</b>	<b>87</b>	<b>54,074</b>
Addition	935	-	-	-	935
Deletions	12,866	7,655	33,465	87	54,074
<b>Gross carrying value as on March 31, 2024</b>	<b>935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>935</b>
<b>Accumulated depreciation as on April 01, 2023</b>	<b>-</b>	<b>1,437</b>	<b>18,639</b>	<b>33</b>	<b>20,108</b>
Depreciation for the period	-	184	682	-	866
Deductions/Adjustments	-	1,620	19,321	33	20,974
<b>Accumulated depreciation as on March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net carrying value as on March 31, 2024</b>	<b>935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>935</b>

Note : Company holds immovable property in its own name.

For FNS AGRO FOODS LTD.



Director

For FNS AGRO FOODS LTD.



Director



# FNS Agro Foods Limited

Notes to the financial statements as at March 31, 2025

(Rs in '000)

Particulars	As at March 31, 2025	As at March 31, 2024
(4) Deferred Tax Assets (net)		
Property Plant & Equipment	-	-
Net Deferred Tax Asset	-	-
(5) The movement on the deferred tax account is as follows:		
At the beginning of the year	-	4,115
Credit/(Charge) to Profit & Loss Account		(4,115)
At the end of the year	-	-
(6) Other financial assets		
Fixed Deposit	45,520	-
Security Deposit	-	996
Other receivables		
- Others	83	83
- Related Party (Refer note 19)	-	3,067
Total	45,603	4,146
(7) Cash and cash equivalents		
Balances with Banks:		
-In Current Account	1,138	41,401
Cash in Hand	5	6
Total	1,143	41,407
(8) Other current assets		
(Unsecured, considered good unless otherwise stated)		
Balance with Government/statutory authorities	-	184
Total	-	184
(10) Other equity		
Retained earning	41,757	40,727
Total	41,757	40,727
d. Retained Earnings		
Balance at the beginning of the year	40,727	838
Less: Adjustments on account of initial adoption of Ind AS 116		
Add: Additions during the year	1,030	39,890
Less: Dividend adjusted for previous year		
Less: Dividend tax adjusted for previous year		
Less: Transferred to General Reserve		
Closing Balance	41,757	40,727
e. Other comprehensive Income (OCI)		
Balance at the beginning of the year	-	-
Add: Additions during the year	-	-
Closing Balance	-	-
Total	41,757	40,727
(11) Borrowings		
Current borrowings		
From related parties (Refer note 19)	-	2,195
Total	-	2,195

For FNS AGRO FOODS LTD.

Director



For FNS AGRO FOODS LTD.

Director

## FNS Agro Foods Limited

Notes to the financial statements as at March 31, 2025

(Rs in '000)

Particulars	As at March 31, 2025	As at March 31, 2024
(12) Trade payables		
- Total outstanding dues of micro enterprise and small enterprises	-	-
- Total outstanding dues other than micro enterprises and small enterprises	10	10
<b>Total</b>	<b>10</b>	<b>10</b>

The Company has the process of identification of 'suppliers' registered under the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006, by obtaining confirmations from all suppliers. The Company has not received intimation from any of the 'suppliers' regarding their status under MSMED Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the year end together with interest paid/payable as required have not been furnished.

### Ageing of trade payables As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(ii) Total outstanding dues other than micro enterprises and small enterprises	10	-	-	-	10
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>

### As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(ii) Total outstanding dues other than micro enterprises and small enterprises	10	-	-	-	10
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>

### (13) Other Current Liabilities

Advance from related party (Refer note 19)

<b>Total</b>	-	67
	<b>-</b>	<b>67</b>

For FNS AGRO FOODS LTD.

Director



For FNS AGRO FOODS LTD.

Director

**FNS Agro Foods Limited**  
Notes to the financial statements as at March 31, 2025

(9) (a) Equity Share capital

(Rs in '000)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Equity share capital</b>		
<i>Authorised</i>		
March 31, 2025: 10,00,000	10,000	10,000
March 31, 2024: 10,00,000 Equity Shares of Rs 10 each		
	<b>10,000</b>	<b>10,000</b>
<i>Issued, subscribed and fully paid-up</i>		
March 31, 2025: 895,600	8,956	8,956
March 31, 2024 - 895,600 equity shares of Rs 10/- each fully paid up		
	<b>8,956</b>	<b>8,956</b>

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
<i>Equity shares</i>				
At the commencement of the year	8,95,600	8,956	8,95,600	8,956
Issued during the year	-	-	-	-
At the end of the year	<b>8,95,600</b>	<b>8,956</b>	<b>8,95,600</b>	<b>8,956</b>

(b) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Equity shares of Rs. 1 each fully paid-up held by HMA Agro Industrial Limited*	100.00%	8,95,593	100.00%	8,95,600
*Company is the holding Company				

(c) Shares held by Promoter of the Company

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
HMA Agro Industrial Limited	8,95,600	(7)	8,95,593	100.00%	0.00%
Gulzar Ahmad	0	1	1	0.00%	0.00%
Ashraf Qureshi	0	1	1	0.00%	0.00%
Mhemood Qureshi	0	1	1	0.00%	0.00%
Wajid Ahmed	0	1	1	0.00%	0.00%
Zulfiqar Ahmad Qureshi	0	1	1	0.00%	0.00%
Parvez Alam	0	1	1	0.00%	0.00%
Kamil Qureshi	0	1	1	0.00%	0.00%
<b>Total</b>	<b>8,95,600</b>	<b>0</b>	<b>8,95,600</b>	<b>100%</b>	<b>0%</b>

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
HMA Agro Industrial Limited	8,95,600	-	8,95,600	100.00%	-
<b>Total</b>	<b>8,95,600</b>	<b>-</b>	<b>8,95,600</b>	<b>100.00%</b>	<b>-</b>

(d) The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any 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.

(e) There were no shares allotted pursuant to contract without payment being received in cash or as fully paid up by way of bonus shares or any shares bought back.

(f) No dividend is declared by the Company during the year ended March 31, 2025 and year ended March 31, 2024.

For FNS AGRO FOODS LTD.



Director



For FNS AGRO FOODS LTD.



Director

# FNS Agro Foods Limited

Notes to the financial statements as at March 31, 2025

Particulars	(Rs in '000)	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>(14) Other Income</b>		
Profit on sale of assets	114	53,934
Interest on bank deposit	2,800	-
Sundry balances written back	-	17
Interest on Income tax	145	-
<b>Total</b>	<b>3,059</b>	<b>53,951</b>
<b>(15) Finance Cost</b>		
Interest on statutory dues	152	-
<b>Total</b>	<b>152</b>	<b>-</b>
<b>(16) Depreciation and Amortisation Expenses</b>		
Depreciation of property, plant and equipment (Refer note 3)	-	866
<b>Total</b>	<b>-</b>	<b>866</b>
<b>(17) Other Expenses</b>		
Repairs and maintenance - plant and machinery	-	275
Power and Fuel	-	225
Rent, rates and taxes	26	169
Security charges	-	159
Freight charges	-	86
Consumable Expenses	-	16
Auditors Remuneration	10	15
Legal and professional charges	-	5
Bank Charges	0	2
Balances written off	1,197	-
Miscellaneous expenses	-	1,283
<b>Grand Total</b>	<b>1,233</b>	<b>2,235</b>
<b>(17a) Auditors Remuneration</b>		
Audit Fees	10	15
<b>Total</b>	<b>10</b>	<b>15</b>

For FNS AGRO FOODS LTD.



Director



For FNS AGRO FOODS LTD.



Director

## FNS Agro Foods Limited

### Notes to the financial statements as at March 31, 2025

#### (18) Fair value measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value those includes cash and cash equivalents, Loan from related parties and trade payables.

#### (a) Financial instruments by category

March 31, 2025

(Rs in '000)

Particular	Carrying amount		Level
	Fair value through profit or loss	Amortised cost	
<b>Financial assets</b>			
<b>Current</b>			
Cash and cash equivalents	-	1,143	
Other financial assets	-	45,603	
<b>Total financial assets</b>	-	<b>46,746</b>	
<b>Financial liabilities</b>			
<b>Current</b>			
Borrowing	-	-	
Trade payables	-	10	
Other current liabilities	-	-	
<b>Total financial liabilities</b>	-	<b>10</b>	

March 31, 2024

(Rs in '000)

Particular	Carrying amount		Level
	Fair value through profit or loss	Amortised cost	
<b>Financial assets</b>			
<b>Current</b>			
Trade receivables	-	4,146	
Cash and cash equivalents	-	41,407	
Other financial assets	-	-	
<b>Total financial assets</b>	-	<b>45,552</b>	
<b>Financial liabilities</b>			
<b>Current</b>			
Trade payables	-	10	
Other current liabilities	-	2,195	
<b>Total financial liabilities</b>	-	<b>2,205</b>	

Note: Carrying amounts of Cash and Cash equivalents and Trade payables as at March 31, 2025 and March 31, 2024 approximate the fair value. Difference between carrying amounts and fair values of bank deposits, other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the periods presented.

For FNS AGRO FOODS LTD.



Director



For FNS AGRO FOODS LTD.



Director

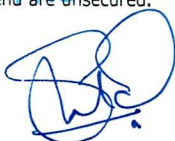
## FNS Agro Foods Limited

### Notes to the financial statements as at March 31, 2025

(19)	Related party transactions	Nature of relationship
	<b>Related parties</b>	
1	HMA Agro Industries Limited	Parent Company
2	Federal Agro Industries Pvt. Ltd. Punjab	Fellow subsidiary
3	HMA Food Export Pvt. Ltd	Fellow subsidiary
4	Laal Agro Food Private Limited	Fellow subsidiary
5	Swastik Bone & Gelatines Pvt.Ltd.	Fellow subsidiary
6	Reliable Agro Foods	Fellow subsidiary
7	United Farm Product Private Limited	Fellow subsidiary
8	Mohammed Mehmood Qureshi	Relative of KMP
	<b>Key managerial personnel</b>	
1	Mohammed Shahid Hameed	Director
2	Viswambharan Parameswaran	Director
3	Shahid Hussain (upto February 18, 2025)	Additional Director

Details of transactions with related parties		(Rs in '000)	
A	Transactions	Year ended March 31, 2025	Year ended March 31, 2024
1	<b>Sale of property, plant and equipment</b>		
	Swastik Bone & Gelatines Pvt.Ltd.	-	125
	Federal Agro Industries Pvt. Ltd. Punjab	-	210
	Hma Agro Industries Limited	-	454
	Hma Food Export Pvt. Ltd	-	990
	Laal Agro Food Private Limited	-	730
	Reliable Agro Foods	-	74
	United Farm Product Private Limited	-	169
	Ajmal Qureshi	1,050	-
2	<b>Advance received</b>		
	Mohammed Mehmood Qureshi	-	67
3	<b>Amount borrowed</b>		
	HMA Agro Industries Limited	-	502
4	<b>Amount Received</b>		
	Swastik Bone & Gelatines Pvt.Ltd.	148	-
	Federal Agro Industries Pvt. Ltd. Punjab	248	-
	Hma Food Export Pvt. Ltd	1,169	-
	Laal Agro Food Private Limited	861	-
	Reliable Agro Foods	87	-
	United Farm Product Private Limited	555	-
5	<b>Amount repaid</b>		
	HMA Agro Industries Limited	2,195	29,000
	Mohammed Mehmood Qureshi	67	-
B	<b>Balances</b>	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
1	<b>Borrowings</b>		
	HMA Agro Industries Limited	-	2,195
2	<b>Other receivables</b>		
	Federal Agro Industries Pvt. Ltd. Punjab	-	248
	HMA Food Export Pvt. Ltd	-	1,169
	Laal Agro Food Private Limited	-	861
	Reliable Agro Foods	-	87
	United Farm Product Private Limited	-	555
	Swastik Bone & Gelatines Pvt.Ltd.	-	148
3	<b>Advance from related party</b>		
	Mohammed Mehmood Qureshi	-	67

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured.



Director



For FNS AGRO FOODS LTD.



Director

**FNS Agro Foods Limited**

Notes to the financial statements as at March 31, 2025

**(20) Ratio Analysis**

(a)	Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Variance
	Current ratio	Current Assets	Current Liabilities	336.21	22.87	1370%	Increase due to decrease in current liability
	Return on net worth	Net Profits after taxes – Preference Dividend	Shareholder's Equity	0.02	0.80	-97%	Decrease due to increase in losses

For FNS AGRO FOODS LTD.



Director

For FNS AGRO FOODS LTD.



Director



## FNS Agro Foods Limited

### Notes to the financial statements as at March 31, 2025

#### (21) Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(losses) attributable to the equity holders of the Company (Rs in '000)	1,030	39,890
Weighted average number of equity shares (Nos)	8,95,600	8,95,600
- Earnings per share (basic)	1	45
- Earnings per share (diluted)	1	45
Face value per equity share (Rs.)	10	10

#### (22) Income tax expense

This note provides analysis of Company's income tax expense, amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

##### (a) Income tax expense is as follows

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(Rs in '000)		
<b>(a) Profit and loss</b>		
Current tax	421	6,845
Tax expense relating to prior years	223	-
Deferred tax	-	4,115
<b>Total tax expense</b>	<b>644</b>	<b>10,960</b>

##### (b) Reconciliation of tax expense and the accounting profit computed by applying income tax rate:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(Rs in '000)		
<b>Profit before tax</b>	<b>1,674</b>	<b>50,850</b>
Tax rate	25.17%	31.20%
Tax	421	15,865
<b>Adjustment for :</b>		
Deferred tax not created on losses	-	3,715
Utilisation of carryforward loss against capital gains	-	(2,753)
Difference to different tax rate	-	(5,504)
Others	223	(363)
<b>Computed tax</b>	<b>644</b>	<b>10,961</b>

#### (23) Financial risk management objectives and policies

The Company has financial assets such as cash and bank balances. The Company has advances from the group and payables for routine expenses which are all due within the next 1 year. Hence market risk, interest rate risk, credit risk and liquidity risk is not applicable to the Company.

#### (24) Capital management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through available cash and cash equivalents and borrowings from the related party.

#### (25) Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker for assessing the Company's performance and allocating the resources based on an analysis of various performance indicators by business segments and geographic segments.

The Company is engaged into business of Manufacturing and exporting of Buffalo Frozen Meat and Meat Products which is single reportable business segment. Hence the Company's financial statements reflect the position for a reportable segment and no separate disclosure is required. The company operates in India and no reportable geographical segment.

#### (26) Commitments and contingent liabilities

There are no commitments as of year ended March 31, 2025 and year ended March 31, 2024.

A search was carried out on November 5, 2022 by the Income-tax authorities at various locations of the Company under Section 132 of the Income-tax Act, 1961. Panchama's in respect of the above searches were prepared recording the search proceedings conducted by the various Income-tax officers at these locations of the Company. Thereafter, proceedings have been initiated by the Revenue authorities under various provisions of Income Tax Act, 1961 and no demand has been raised till the date of approval of these financial statements against the Company. The Company is not able to estimate the liabilities under this search and hence no amount is provided for in the books on account as of year ended March 31, 2025. Also, the Company has not accounted for any undisclosed income in its financial statement for the year ended March 31, 2025 and March 31, 2024. These matters are under consideration in front of various authorities and is awaiting outcome.

For FNS AGRO FOODS LTD.

Director



For FNS AGRO FOODS LTD.

Director

## FNS Agro Foods Limited

### Notes to the financial statements as at March 31, 2025

#### (27) Going concern

The management has taken initiatives towards disposing all the property plant and equipments along with other assets and thereby paying the liabilities. The promoters intend to square off all the balances outstanding and initiate the liquidation process for the Company. Accordingly the these accounts of the Company are prepared on liquidation basis.

(28) The financial statements were authorised for issue by the Company's Board of directors on April 16, 2025.

#### (29) Events after the reporting period

No adjusting or significant non-adjusting events have occurred between March 31, 2025 and the date of authorisation of these financial statements.

#### (30) Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have 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
- (vi) The Company have 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 Group 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,
- (vii) The Company have not any 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.

(31) The Company has evaluated subsequent events from the balance sheet date to April 16, 2025 the date at which the financial statements were available to be issued and determined that there are no other material items to disclose.

(32) Previous year's figures are recast/regrouped wherever necessary to conform to current year's classification

As per our report of even date attached.

**FOR MAPSS AND COMPANY**  
Chartered Accountants  
Firm's Registration Number: 012796C

**CA Gyan Chandra Misra**  
Partner  
Membership Number: 078183  
Place : New Delhi  
Date : May 06, 2025  
UDIN : 25078183BMJFRI8540

For and on Behalf of the Board  
**FNS Agro Foods Limited**  
CIN: U74899DL1994PLC061518

**Mohammed Shahid Hameed**  
Director  
DIN : 09137357  
Place : New Delhi  
Date : April 16, 2025

**Viswambharan Parmeshwaran**  
Director  
DIN : 09822921  
Place : New Delhi  
Date : April 16, 2025

# FNS Agro Foods Limited

Notes to the standalone financial statements as at March 31, 2025

## 1 Corporate information

FNS Agro Foods Limited ("the Company") is domiciled and incorporated in India and it is a private limited Company. The registered office of the Company is situated at Flat No. 903 9th Floor Akashdeep Building Bara Khamba Road, New Delhi, India, 110001. The Company is primarily engaged in the business of slaughtering, processing, and trading in meat and meat products (including fish, sheep, goat, buffalo), bones, tallow, offals, hides, poultry, food grains, flour, beverages, mineral water, and all types of food and eatables—whether as manufacturers, importers, exporters, wholesalers, or retailers. The financial statements of the company for the year ended March 31, 2025 were approved and authorized for issue by board of directors in their meeting held on April 16, 2025.

### Material accounting policies

## 2 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments). The financial statements are presented in Indian Rupees "INR" which is also the company's functional currency and all values are rounded to the nearest Thousands (Rupees '000), except when otherwise indicated.

### 2.01 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss during the reporting period in which they are incurred.

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 residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

For FNS AGRO FOODS LTD.

Director



For FNS AGRO FOODS LTD.

Director

Depreciation on property, plant and equipment is provided on straight line method, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Depreciation commences when the assets are ready for their intended use. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the statement of profit and loss.

The estimated useful lives are as follows:

Assets	Useful life (years)
Office equipment	10
Plant and Machinery	15
Building	30
Vehicles	8
Land	-

## 2.02 Impairment of property, plant and equipment

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company each class of the property, plant and equipment. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

## 2.03 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 realized or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realized 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

For FNS AGRO FOODS LTD.

Director



For FNS AGRO FOODS LTD.

Director

► 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 liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle."

## 2.04 Fair value measurement

The company measures financial instruments at fair value at each balance sheet 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

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amount approximates fair value to due to short term maturity of these instruments.

The company recognises the transfer between the levels of fair value hierarchy at the end of the reporting period during which the changes has occurred.

FOR FNS AGRO FOODS LTD.



Director



FOR FNS AGRO FOODS LTD.



Director

"For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summaries accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- ▶ Quantitative disclosures of fair value measurement hierarchy (Note 18)
- ▶ Financial instruments (including those carried at amortised cost) (Note 18)

## **2.05 Revenue from contract with customers**

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The company is generally the principal as it typically controls the goods before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from inter-company arrangement is recognised based on transaction price which is at arm's length arrangement. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Generally, the credit period varies as per the contractually agreed period from the shipment or delivery of goods as the case may be. The company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer within a period of one year.

## **2.06 Other income**

### **Interest income:**

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### **Profit/ (Loss) on derivatives:**

Profit/ (Loss) on derivatives contracts on account of fair value changes are recognised as either income or expenses as the case may be through Profit and loss.

### **Duty drawback/Export incentives:**

Duty drawback income is recognised when right to receive such benefits is established. Further, in cases where there is uncertainty of such benefits, revenue is recognised when benefits are received.

## **2.07 Inventories**

Inventories are valued at the lower of cost or net realisable value.


For ENS AGRO FOODS LTD.



Director



For ENS AGRO FOODS LTD.



Director

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

► **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.

► **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

► **Stock in Transit:** cost comprises the purchase price and other costs incurred to bring the inventory to its present location and condition.

The company accounts for agricultural produce which is harvested produce of the biological asset

#### 1. Initial recognition and measurement

The entity recognizes a biological asset or agricultural produce when, and only when

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

Agricultural produce harvested from an entity's biological assets is measured at its fair value less costs to sell at the point of harvest. Such measurement value is the cost at that date when applying Ind AS

2. **Inventories.** The carrying amounts of agricultural produce is carried at cost when the company expects the impact of the biological transformation on price to be not material.

#### 2.08 Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

#### Deferred Tax

Deferred tax is recognised using balance sheet approach at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

For FNS AGRO FOODS LTD.



Director



For FNS AGRO FOODS LTD.



Director

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in a year when asset is realized or the liability is expected to be settled based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

## **2.09 Current and deferred tax for the year**

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

## **2.10 Foreign Currency translation**

### **Functional and Presentation currency**

Items included in the financial statements of the company 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 functional and presentation currency of the company.

### **Transaction and balances**

Transactions in foreign currencies are initially recognised in the financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## **2.11 Provisions and Contingent Liabilities**

### **Provisions:**

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

For FNS AGRO FOODS LTD.



Director



For FNS AGRO FOODS LTD.



Director

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 recognise a contingent liability but discloses its existence in the financial statements.

## **2.12 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **a. Non-Derivative Financial Assets**

#### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are attributable to the acquisition of financial asset. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.05 for Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

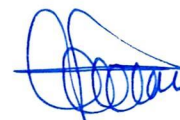
Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.



Director



For FNS AGRO FOODS LTD.



Director

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- ▶ Financial assets at amortised cost
- ▶ Financial assets at fair value through profit or loss
- ▶ Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses
- ▶ Financial assets designated at fair value through OCI with recycling of cumulative gains and losses upon derecognition

A 'financial asset' is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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 amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The company's financial assets at amortised cost includes loans and other financial assets.

A 'financial asset' is measured at FVOCI if both the following conditions are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Upon initial recognition, the company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

For FNS AGRO FOODS LTD.



Director



For FNS AGRO FOODS LTD.



Director

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

#### Derecognition

"A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from a company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

#### Impairment of financial assets

"A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

For trade receivables, the company applies a simplified approach in calculating ECLs. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment."

#### **b. Non-Derivative Financial Liabilities**

##### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs

##### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in 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 recognised amounts and there is an intention to

For FNS AGRO FOODS LTD.



Director



For FNS AGRO FOODS LTD.



Director

settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **c. Derivative financial instruments**

#### **Instruments in hedging relationship**

The company designates certain foreign exchange forward contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges, net of taxes based on the forecasted highly probable transactions.

"The company uses hedging instruments that are governed by the policies of the company which are approved by the Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the company.

The hedge instruments are designated and documented as hedges at the inception of the contract. The company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction. If the hedged forecasted transaction is no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss. The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in the statement of profit and loss when the forecasted transaction ultimately affects profit and loss. "

#### **Instruments not in hedging relationship**

The company enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

### **2.13 Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise of cash balances at banks, on hand cash balances and demand deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

In the cash flow statement, cash and cash equivalents includes cash in hand, cash at bank, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

### **2.14 Earnings Per Share**

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Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue and split of shares that have changed the number of equity shares outstanding, without a corresponding change in resources. Earnings considered in ascertaining the company's earnings per share is the net profit for the year after deducting any attributable tax thereto for the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## 2.15 Segment Reporting

"Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices. Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

## Segment Policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

## 2.16 Dividend

The company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## 2.17 Company as a lessee

The company assesses whether a contract contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. 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 has 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.

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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The company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right -of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight -line method from the commencement date over the lease term.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

## **2.18 Employee benefits**

### **Defined contribution plans**

The company's contribution to Provident fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### **Defined benefit plans**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings, through other comprehensive income in the statement of changes in equity and in the balance sheet and will not be reclassified to profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### **Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

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These benefits include leave encashment and availment which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

## 2.19 Significant accounting estimates, judgements and assumptions

The preparation of the company's Standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the Standalone financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the company's accounting policies, management has made the following judgements which have significant effect on the amounts Recognized in the Standalone financial statements:

a. Useful lives of property, plant and equipment and intangible assets: Determination of the estimated useful life of tangible assets and intangible assets and the assessment as to which components of the cost may be Capitalized. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also needs to be made, when company assesses, whether as asset may be capitalized and which components of the cost of the assets may be capitalized.

b. Contingencies: Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.

c. Fair value measurements and valuation processes: Some of the Companies assets and liabilities are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the company used market-observable data to the extent it is available. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Estimation of defined benefit plans: The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligation.

e. Tax expense: Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely


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outcome of any open tax assessments / litigations. Any difference is recognised on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and unabsorbed depreciation (if any) could be utilised.

f. Impairment of financial and non-financial assets: The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets, assessment of impairment indicators involves consideration of future risks. Further, the company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

g. Inventory valuation: The factors that the company considers in determining in valuation of non-saleable inventory, in store inventory or any other products, include estimated shelf life, price changes, ageing of inventory, introduction of competitive new products and fair valuation of related products to the extent each of these factors impact the company's business and markets. The company considers all these factors and adjusts the inventory valuation to reflect its actual experience on a periodic basis.

## 2.20 Recent accounting pronouncements

"Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

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