



Source Natural Foods and Herbal Supplements Limited

Registered Office: 201, IInd Floor, Sumeru Towers,
#54/46, 39th A Cross, 11th Main Road,
Jayanagar 4th T Block, Bangalore - 560 041
Phone: +91-80-26087733
Email: info@source-natural.com
Website: www.source-natural.com
CIN: L24231KA1995PLC101742

03rd September 2025

**The Manager,
Department of Corporate Services,
BSE Limited
25th Floor, PJ Towers,
Dalal Street, Mumbai – 400 001**

Scrip Code: 531398

Dear Sir/Madam,

Sub: Notice of the 30th Annual General Meeting ('AGM') of the Company & Annual Report for the Financial Year 2024-25.

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening 30th Annual General Meeting and the Annual Report for the financial year 2024-25 which will be circulated to the shareholders through electronic mode. The 30th AGM is scheduled to be held on Thursday, September 25, 2025, at 11.30 A.M (IST) through Video Conference (VC) / Other Audio-Visual Means (OAVM), in accordance with the Circulars issued by Ministry of Corporate Affairs (MCA), SEBI and applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

The Notice and the Annual Report for the financial year 2024-25 will be made available on the Company's website at <https://www.source-natural.com/pages/annual-report-annual-returns>

The schedule of AGM is as set out below:

Particulars	Details
Date and Time of AGM	Thursday, September 25, 2025, at 11.30 AM (IST).
Eligible to vote – Cut-off date	Thursday, September 18, 2025
Remote e-voting start date and time	Monday, September 22, 2025; 9.00 AM (IST)
Remote e-voting end date and time	Wednesday, September 24, 2025; 5.00 PM (IST)
Website of CDSL for remote e-voting and participation in the AGM	https://www.evotingindia.com/

Kindly take the above information on records.

Thanking you,
For Source Natural Foods and Herbal Supplements Limited

Narasimhan Arvind Varchaswi
Managing Director
DIN: 00143713

Encl: As above

Rooted in Nature, Growing in Health

Annual Report-2024-25







Board Of Directors

Mr. Narayanan Narasimhan Non-executive Director	Mr. Arvind Varchaswi Narasimhan Managing Director	Mr. Tejagna Kashmira Katpitia Executive Director
Mr. Chandrakumar Laxminarayan Rathi Independent Director		
Mrs. Romila Sen Independent Director	Mr. Puvan Sripathy Independent Director	Commodore H.G. Harsha Independent Director
Mr. Sturle Harald Pedersen Non-executive Director	Mr. Prasana Prabhu Independent Director	Dr. Jeewan Prakash Gupta Non-executive Director

Key Managerial Personnel

Mr. R. Ramachandra Chief Financial Officer	Mr. Yash Jain Compliance Officer & Company Secretary
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Registered Office

201, II Floor, Sumeru Towers, #54/46, 39th A Cross,
11th Main Road, Jayanagar 4th T Block, Bangalore -
560 041, Karnataka, India.

CIN: L24231KA1995PLC101742

Phone: 080 26087733

Fax: 080 22449505

Investors Contact e-mail id

investor_relations@source-natural.com

Auditors

Srinaga & Giridharan, Chartered Accountants
136/1, I Floor, 5th Main, Chamaraipet,
Bangalore - 560018.

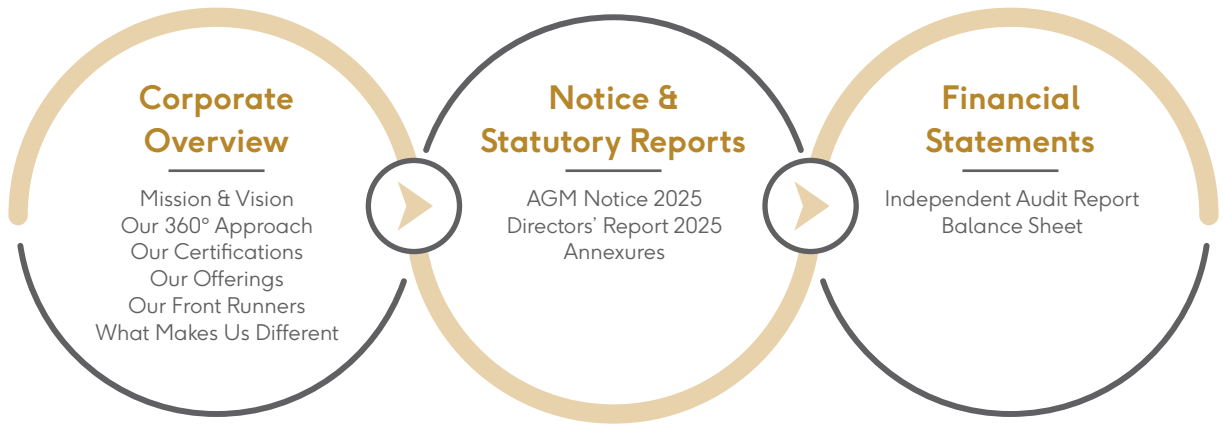
Share Transfer Agents

Venture Capital & Corporate Investments Private Limited,
"AURUM" Door No. 4-50/P-11/57/4F & 5F, Plot No. 57,
4th & 5th Floor, Jayabheri Enclave, Phase - 11,
Gachibowli, Hyderabad - 500032.





In This Report



Mission & Vision

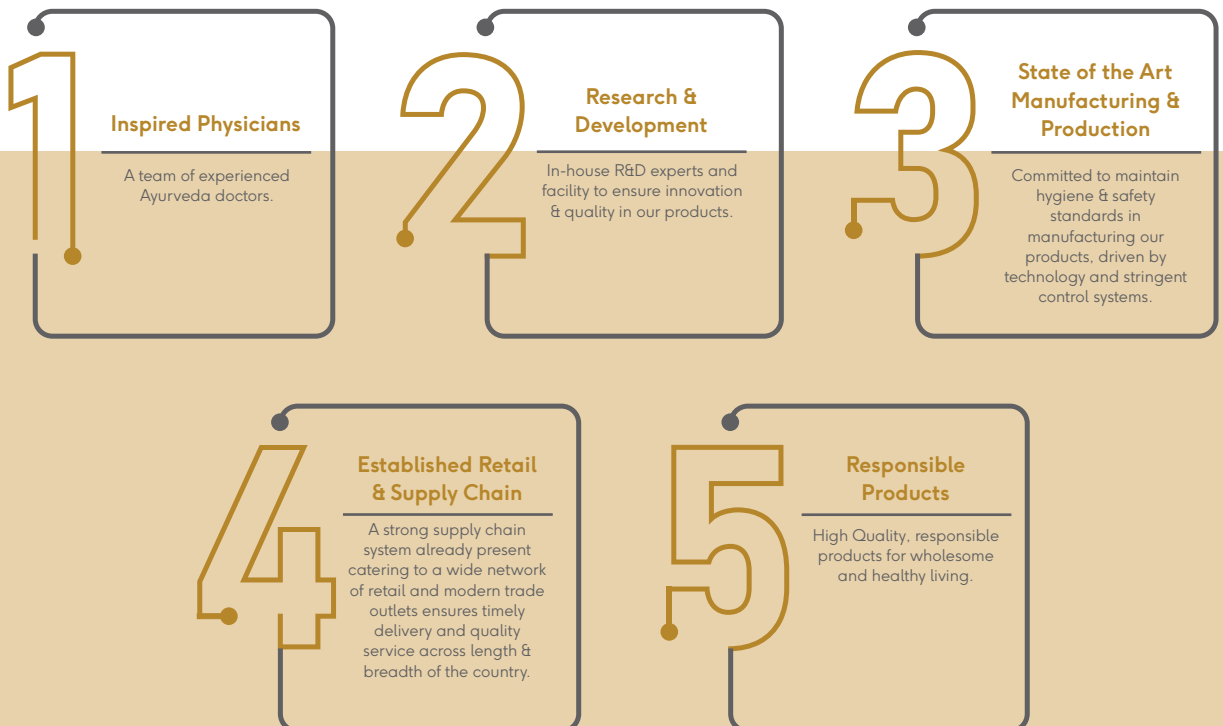
Mission

Kindle health & happiness in individuals through the holistic science of life, Ayurveda.

Vision

Enabling a holistic approach towards health and well being by restoring values of Ayurveda in modern lifestyles. Providing authentic and effective products of the highest quality standards.

Our 360° Approach





Our Certifications

A Commitment to the Highest Quality



AYUSH GMP



AYUSH Premium Mark



ISO 22000:2018



VEGAN



USDA Organic



National Program for
Organic Production



PETA Approved



ISO 22716:2007



ANMAT Argentina



Site License Canada



Manufacturing
Site Registration: UAE



Certificate of
Registration: Oman



USFDA Facility
Registration

State-of-the-art-manufacturing





Ayurveda & Healthcare

Our Offerings

Range of Herbal Health Drinks



Health Care Range





Our Offerings

USDA Organic Tablets



White Label Solutions





Our Front Runners

Ojasvita

- Natural Source of Essential Nutrients
- Gives Overall Nourishment
- With the Power of 7 Herbs

Triphala

- It acts as a very good laxative
- Balances the tridoshas
- It is also useful in eye related disorders

Ashwagandha

- Balances nervous system
- Promotes quality sleep
- Restores energy and strength

Shakti Drops

- Daily all round protection
- Herbal Immunity Builder
- Builds strength & stamina
- Safe for all Age groups
- 8 Certified Organic Herbs





What Makes Us Different



Ancient Science
of Ayurveda



Spreading Health &
Happiness



Credible Vendors
Sourcing certified raw materials



Quality Check
Rigorous testing of each
ingredient



Friends of Farmers
Education on natural
farming and buy back support



Giving back to
the society



Herbal, Effective
Easy to use products

Partial List Of Digital Presence



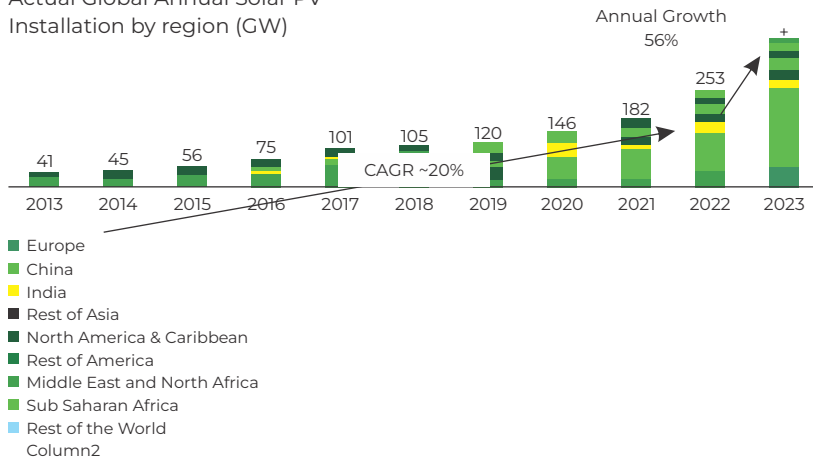
Scan the QR code to redirect to the page



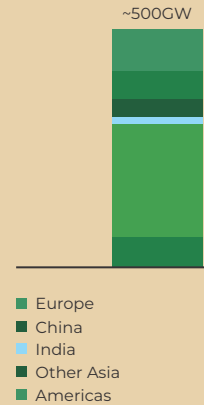
Green & Clean Energy

I. Industry Overview

Actual Global Annual Solar PV Installation by region (GW)



Forecasted Global Annual Solar PV Installation by region (GW)



India's solar growth is entering a golden era. The country has surpassed 100 GW of installed capacity, a critical milestone on its path toward the 2030 target of 500 GW of non-fossil generation capacity. India's ascent from 2.8 GW in 2014 to 100 GW in 2025 is the result of a well-coordinated blend of visionary policy, strategic financing, and technological innovation. By 2030, with renewables expected to supply 40–50% of India's electricity, significant reductions in carbon emissions will be realized, easing climate impacts and reducing dependence on oil and coal imports.

Source Natural's vision for green and clean energy is to contribute to India's aspiration of becoming a global solar power leader, lighting up millions of homes and industries with sustainable energy. Under this vision, the brand Hyenr has been created as a dedicated initiative to drive this mission forward.

II. Our Initiatives

A. Solar Power

1. PMSGMBY – Pradhan Mantri Surya Ghar Muft Bijli Yojana

We are empaneled with MNRE (Ministry of New and Renewable Energy) to contribute to the nation's vision of solar-powered homes. Source Natural is actively involved in deploying residential rooftop solar solutions across four states: Maharashtra (MH), Telangana, Odisha, and Madhya Pradesh (MP).



Vijay Nagar, Bangalore | 3KWp



Kengeri, Bangalore | 3KWp



Kaggalipura, Bangalore | 5KWp



JP Nagar, Bangalore | 3KWp

2. Commercial & Industrial (C&I) Sector

We collaborate with institutions and leading organizations to help them achieve their net-zero goals by delivering state-of-the-art solar power solutions.



100 Kwp at Odisha



200 KWp at Gujarat



200 KWp at Karnataka

3. A Ground-Mounted Solar

Our utility-scale expertise includes a signature 10 MW solar installation at Pavagada. This project stands as a testament to our strong execution capabilities in delivering large-scale renewable energy projects.



B. Wastewater Treatment Plant

The BIO-Green STP (our patented, nature-based sewage treatment plant) ensures the safe disposal of waste without relying on costly chemicals or heavy machinery. This makes it a viable solution for diverse sectors, including residential, industrial, and governmental applications.

The plant shown below is a 250 KLD STP delivering an output BOD of less than 5 PPM, which is significantly lower than the limits prescribed by the Bureau of Indian Standards. It operates with zero electricity cost, while generating no odour and no machine noise.

250KLD Bio STP at Karnataka



C. New Vertical – EV Charging Stations

Expanding our green portfolio, we have launched a new vertical dedicated to EV charging stations. Through this initiative, we are setting up the necessary infrastructure to support India's transition to electric mobility while contributing to a cleaner and more sustainable environment.

60KW DC fast Charging Station at Bangalore, Karnataka



III. Future Plans

1. To reach the portfolio of solar installation of 1GW, we have started taking leap into big projects and would be taking up big megawatt scale Ground mounted solar projects in the upcoming months.
2. Our projects in PMSGY and other roof top projects will also increase 2-fold in the upcoming months.
3. As part of Net Zero consulting, we are helping companies realize their net zero goals.
4. We will be stepping into manufacturing ALMM approved Solar modules. The demand is huge as in order to reach the target of installation of 280GW of solar plants by 2030, the installation has to be twice the current rate of 24 GW in 2024.
5. Global EV sales are rising rapidly, with projections suggesting EVs could account for a 30 % portion of new car sales by 2030. The new Vertical of EV charging station will focus on Malls, Apartments, Highways and corporates.

Dear Member,

You are cordially invited to attend the 30th Annual General Meeting of the members of Source Natural Foods and Herbal Supplements Limited ("the Company") to be held on Thursday, 25th September 2025 at 11:30 a.m. through video conference and other audio-visual means ("VC").

The Notice of the meeting, containing the businesses to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013 ("the Act"), read with the related rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the LODR Regulations"), the Company is pleased to provide its members the facility to cast their votes by electronic means on all resolutions set forth in the Notice.

Narayanan Narasimhan
Chairman

Enclosures:

1. Notice of the 30th Annual General Meeting
2. Instructions for participation through VC
3. Instructions for e-voting

Source Natural Foods and Herbal Supplements Limited.

Registered Office Address- No. 201, Sumeru Towers, #54/46,
Second Floor, 11th Main Road, 39th A Cross, Jayanagar 4th T Block, Bangalore – 560041.

NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of **SOURCE NATURAL FOODS AND HERBAL SUPPLEMENTS LIMITED** will be held on Thursday, 25th September 2025 at 11.30 A.M through video conferencing ("VC")/other audio-visual means ("OAVM") to transact the following businesses:

Ordinary Businesses:

Item No. 1: Adoption of Audited Financial Statements for the Financial Year ended March 31, 2025. (Ordinary Resolution)

To receive, consider, approve and adopt the Audited Financial Statements for the financial year ended on 31st March 2025 together with the Reports of the Board of Directors, Auditors and such other Reports annexed thereon.

Item No. 2: Re-Appointment of Shri Narayanan Narasimhan, retiring director, as a Non-Executive Director and for his continuation as Chairman of the Company even after exceeding 75 years of age. (Special Resolution)

To appoint a director in place of Shri Narayanan Narasimhan (holding DIN: 00143620) who retires by rotation and being eligible offers himself for re-appointment as Non-Executive Director of the Company.

To consider, and if thought fit, to pass the following resolution, with or without modification, as a special resolution:

"RESOLVED that pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Section 149, 152, and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, Shri Narayanan Narasimhan (DIN: 00143620), who retires by rotation at the 30th Annual General Meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a **Non-Executive Director** of the Company, liable to retire by rotation.

RESOLVED FURTHER that pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the members of the Company be and is hereby accorded for the continuation of Shri Narayanan Narasimhan as Non-Executive Director and Chairperson of the Company, who has attained the age of 75 years, on the existing terms and conditions, as approved by the Board.

RESOLVED FURTHER that Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to give effect to the aforesaid resolution."

Special Businesses:

Item No. 3: Appointment of Mr. Arvind Varchaswi N as the Managing Director (DIN: 00143713) of the Company. (Special Resolution)

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (Act) and relevant rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) or any statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company and pursuant to the recommendation and approval respectively of the Nomination and Remuneration Committee and the Board of Directors of the Company (the "Board"), consent of the Shareholders of the Company be and is hereby accorded to the appointment of **Mr. Arvind Varchaswi N (DIN: 00143713), as the Managing Director of the Company, liable to retire by rotation, for a term of five (5) consecutive years, effective from August 13, 2025**, on such terms and conditions of appointment and remuneration as set out in the Explanatory Statement annexed hereto, which shall be deemed to form part hereof, with liberty to the Board to vary the terms and conditions of the said appointment including remuneration, as may be mutually agreed with Mr. Arvind Varchaswi from time to time, without being required to seek further approval of the members of the Company or otherwise to the end intent that, they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER that in terms of the applicable provisions and Schedule V of the Companies Act, 2013, where in any financial year during the tenure of Mr. Arvind Varchaswi, the Company has no profits, or its profits are inadequate, the Company shall pay the remuneration as specified in the explanatory statement to this Notice, as the minimum remuneration.

RESOLVED FURTHER that Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to give effect to the aforesaid resolution."

Item No. 4: Appointment of Mrs. Darshna Patel as an Independent Director of the Company for a term of 5 consecutive years. (Special Resolution)

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification(s), amendment(s), or re-enactment(s) thereof, for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), as amended from time to time, Mrs. Darshna Patel (DIN: 11247972), who meets the criteria for independence as provided in Section 149(6) of the Act read along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI LODR and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, and whose appointment is recommended by the Board's Nomination and Remuneration Committee, and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 25th September 2025 to 24th September 2030.

RESOLVED FURTHER that Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to give effect to the aforesaid resolution."

Item No. 5: Ratification of remuneration payable to the Cost Auditor of the Company for the financial year ended March 31, 2025. (Ordinary Resolution)

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that the remuneration of Rs. 60,000/- (Rupees Sixty thousand only) plus reimbursement of out-of-pocket expenses at actual, payable to M/s. Chiranjeevulu Jeelaga & Co., Practicing Cost Accountants, (Membership No. 45858) who was appointed as the Cost Auditor of the Company for the financial year ending 31st March, 2025, as recommended by the Audit Committee and approved by the board of directors of the Company, pursuant to Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014, be and is hereby ratified.

RESOLVED FURTHER that Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to give effect to the aforesaid resolution."

Item No. 6: Appointment of M/s. KKR & Associates, Practicing Company Secretaries as Secretarial Auditors of the Company. (Ordinary Resolution)

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 204 and other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), re-enactment thereof for time being in force) and circulars issued thereunder from time to time, and based on the recommendations of the Audit Committee and the Board of Directors, the approval of the members be and is hereby accorded for the appointment of M/s. KKR & Associates, Practicing Company Secretaries (Firm registration no: S2024KR993600), as the Secretarial Auditors of the Company for a term of five consecutive years, commencing from Financial Year 2025-26 till Financial Year 2029-30 at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its committees thereof), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

RESOLVED FURTHER that Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to give effect to the aforesaid resolution."

Item No. 7: Approval for Material Related Party Transactions with Sriveda Sattva Private Limited. (Ordinary Resolution)

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 and Companies (Meetings of Board and its powers) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force) the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may constitute for this purpose) for execution of contracts with the related party as set out below and in which the Directors of the Company are interested, for the purpose of purchase or sale of goods or materials, for the purpose of receiving services and for payment of royalty, as the Board in its discretion, may deem proper, from time to time:

Sl. No.	Name of Contracting Entity	Period of Contract	Maximum Value of Contract (Rs.)
1	Sriveda Sattva Private Limited	01/10/2025 to 30/09/2026	50 Crores

"RESOLVED FURTHER that the Audit committee and the Board of Directors of the Company be and are hereby authorized to determine the actual sums to be involved in the transactions, and to finalize the terms and conditions including the period of transactions and all other matters arising out of or incidental thereto, to the proposed transactions and generally to do all acts, deeds and things that may be necessary, proper, desirable or expedient and to execute all documents, agreements and writings as may be necessary, proper, desirable or expedient to give effect to this resolution".

Item No. 8: Amendment to the object clause of the Memorandum of Association of the Company. (Special Resolution)

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the Section 13 of the Companies Act, 2013 read with rules framed thereunder and further subject to any other applicable provisions, if any, and other such approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate statutory authority (ies), the Object Clause of the Memorandum of Association of the Company be and is hereby amended by inserting the below new clause in addition to the existing clauses, as clause number 'II' of the Main objects of the Company.

"To carry on the business of management and processing of solid waste, including but not limited to municipal waste, agricultural waste, and similar waste streams, with a focus on potential conversion into valuable resources, including energy generation through various modes and other related activities".

RESOLVED FURTHER that the altered Memorandum of Association incorporating the above changes, as circulated, be and is hereby approved and adopted.

RESOLVED FURTHER that Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to give effect to the aforesaid resolution."

Date: 30.08.2025

Regd. Office: 201, II Floor, Sumeru Towers,
#54/46, 39th A Cross, 11th Main Road,
Jayanagar, 4th T Block, Bangalore – 560041

By Order of the Board
(Arvind Varchaswi N.)
Managing Director
DIN: 00143713

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts in respect of the Ordinary (as applicable) and special businesses of this notice is annexed hereto.
2. Pursuant to the General Circular No.09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of the members at a common venue. In compliance with the said Circulars, the 30th AGM of the Company is being held through VC / OAVM and the Notice and the Annual Report for the year 2024-25 are being sent only by electronic mode to those Members whose Email addresses are registered with the Company / Depository Participant(s).

Additionally, in accordance with Regulation 36(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is also sending a letter to shareholders whose e-mail addresses are not registered with Company/Registrar/DP providing the weblink of Company's website from where the Annual Report for the FY 2024-25 can be accessed.

The Company shall send the physical copy of the Annual Report for the FY 2024-25 to those Members who have made a request for the same, either to the RTA or the Company. Additionally, any member who desires to get a physical copy of the Annual Report for the FY 2024-25, may request for the same by sending an email to the Company at cs@source-natural.com mentioning their Folio No./DP ID and Client ID.

Members may also note that the Notice and the Annual Report for the FY 2024-25 are also available on the weblink of the Company at <https://www.source-natural.com/pages/annual-report-annual-returns> and on the website of the Central Depository Services (India) Limited (CDSL) viz., <https://www.evotingindia.com> and on the website of BSE Limited at www.bseindia.com

3. As per the Act, a member is entitled to attend and vote at the AGM or is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a Member of the Company. However, as this AGM is being conducted through VC / OAVM, the facility for appointment of Proxy by the members is not available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. Participation of Members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. The notice of AGM is being sent to those members / beneficial owners whose name will appear in the register of members / list of beneficiaries received from the depositories as on Friday, **29th August 2025**.

The "**cut-off date**" for determining the eligibility for electronic voting is fixed as **Thursday, September 18, 2025**. The e-voting period will commence at **9.00 a.m. on Monday, September 22, 2025, and will end at 5.00 p.m. on Wednesday, September 24, 2025**.

Members are eligible to cast their votes electronically only if they are holding shares as on the **Cut-Off date, i.e. 18th September 2025**. Members who have acquired shares after the dispatch of the Annual Report and before the cut-off date may approach the Registrar for issuance of the User ID and Password for exercising their right to vote by electronic means.

6. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 19th September 2025 to Thursday, 25th September 2025** (both days inclusive), in accordance with the provisions of the Companies Act 2013 and the Listing Agreement with the Stock Exchange, where the equity shares of the Company are listed, for the purpose of AGM.
7. The results of voting shall simultaneously be communicated to the Stock Exchange. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favor of the resolutions.
8. The requirement to ratify the appointment of Auditors by the Members at every Annual General Meeting is done away with vide notification dated May 07, 2018 issued by the corporate affairs, New Delhi. Accordingly, no resolution is proposed for the ratification of appointment of auditors, who were appointed in the Annual General Meeting, held on 5th August 2021 for the period of 5 years.
9. Shareholders holding shares in identical order of names in more than one folio are requested to write to the Company, enclosing their share certificates to enable the Company to consolidate their holdings in one folio to facilitate better service.

10. Ministry of Corporate Affairs has undertaken a "Green Initiative in Corporate Governance" and allowed companies to send documents such as Notice of the Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, etc., to the shareholders in electronic form instead of the paper form. Members are requested to send/ update their email address with their Depository or Registrar and Transfer Agents of the Company.
11. The Company has appointed Mr. Kirana K R of M/s. KKR & Associates, Practicing Company Secretaries, Bangalore, (CoP No.16594) as the 'Scrutinizer' to scrutinize the e-voting process and voting done during the AGM in fair and transparent manner. The Scrutinizer shall submit a consolidated Scrutinizer's report of the total votes cast in Favor or against, not later than two working days after the conclusion of AGM to the Chairman of the Company. The Chairman or any other person authorized by him, shall declare the results of voting forthwith.
12. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, can be given as per email request.
 - a. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording of their shares.
 - b. Members holding shares in physical mode are required to submit their permanent Account Number (PAN) and Bank account details (cancelled cheque of your bank account) to the Company/RTA viz. M/s. Venture Capital & Corporate Investments Private Limited, if not registered with the Company as mandated by SEBI.
 - c. Members holding physical shares are requested to register/ update their e-mail address/ Telephone No. with the Company/ RTA, i.e. Venture Capital & Corporate Investments Pvt. Ltd for receiving all communications from the Company electronically and to immediately notify any change in their address to the Registered Office of the Company/ RTA.
 - d. SEBI has amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed Companies from accepting request for transfer of securities which are held in physical form, with effect from 1st April 2019. The shareholders who continue to hold shares in physical form even after this date will not be able to lodge the shares with Company/its RTA for further transfer. They will need to convert them into demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form will be accepted by the RTA.

INSTRUCTIONS- VOTING THROUGH ELECTRONIC MEANS:

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.source-natural.com/pages/annual-report-annual-returns>. The Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited

at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com

THE INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

I. The voting period begins **Monday, 22nd September 2025 (09.00 a.m.)** and ends on **Wednesday 24th September, 2025 (5.00 p.m.)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date (record date) September 18, 2025** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

III. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

IV. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasinew/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasinewRegistration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your votes.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider’s name and you will be redirected to e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Please refer the table below for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-4886 7000.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800-21-09911

V. Login method for e-Voting and joining virtual meeting for shareholders other than individual **shareholders holding in Demat form & physical shareholders.**

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first time user, please follow the steps given below:

	For Shareholders holding shares in Physical mode and other than individual members holding shares in Demat Form
PAN Dividend Bank Details OR Date of Birth (DOB)	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by the Company/RTA or contact company/RTA. <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

VI. After entering these details appropriately, click on "SUBMIT" tab.

VII. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

VIII. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

IX. Click on the EVSN for 'Source Natural Foods and Herbal Supplements Limited'.

X. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

XI. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

XII. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

XIII. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

XIV. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

XV. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

XVI. Additional Facility for Non – Individual Shareholders and Custodians - for Remote E-Voting only

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@source-natural.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/ IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at the company's email I'd, i.e. cs@source-natural.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 022-4886 7000.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-4886 7000.

EXPLANATORY STATEMENT

The following explanatory statement pursuant to Section 102(1) of the Companies Act 2013, sets out all material facts relating to items of ordinary (as applicable) and special businesses mentioned in the accompanying notice of the AGM.

Item No. 2: Re-Appointment of Shri Narayanan Narasimhan, retiring director, as a Non-Executive Director and for his continuation as the Chairman of the Company even after exceeding 75 years of age.

Shri Narayanan Narasimhan (DIN: 00143620) is a highly experienced professional and has been serving as the **Non-Executive Director and Chairperson** of the Company. He is retiring by rotation at the ensuing AGM and being eligible, has offered himself for reappointment.

In terms of Regulation 17(1A) of the SEBI (LODR) Regulations, 2015, listed companies are required to obtain shareholders' approval by way of a special resolution for the appointment or continuation of a non-executive director who has attained the age of 75 years. Shri Narayanan Narasimhan has already crossed the age of 75 years.

Based on the recommendation of the **Nomination and Remuneration Committee** and the approval of the **Board of Directors**, it is proposed to re-appoint Shri Narayanan Narasimhan as a **Non-Executive Director and Chairperson** and to approve his continuation in that role beyond the age of 75 years.

Brief Profile of Mr. Narayanan Narasimhan

Mr. Narayanan Narasimhan is a graduate in Architecture from the School of Architecture, Madras. He also holds a University Diploma in Housing, Planning, and Building from the Bouwcentrum Centre, Rotterdam, Holland.

He is the father of Mr. Arvind Varchaswi, Managing Director of the Company. Shri Narayanan Narasimhan serves as the Non-Executive Chairman and brings with him vast experience in the fields of housing, planning, building, and architecture.

Board's recommendation

The Board is of the opinion that his continued association will be beneficial to the Company, considering his vast experience and valuable contributions to the governance and strategic direction of the Company.

Information as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings is enclosed as Annexure 1.

The Board recommends passing of the proposed resolution stated in Item 2 as Special Resolution and requests your approval for the same.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Shri Narayanan Narasimhan and Mr. Arvind Varchaswi N, is in any way concerned or interested, financially or otherwise, in this resolution.

Item No. 3: Appointment of Mr. Arvind Varchaswi N as Managing Director (DIN: 00143713) of the Company.

Mr. Arvind Varchaswi N (DIN: 0014371) was appointed as the Managing Director of the Company for a period of 5 years on the remuneration and terms and conditions approved by the shareholders of the Company at the 25th AGM held on 29th September 2020.

As the Managing Director of the Company, Mr. Arvind Varchaswi has successfully led the Company over the last five years and nurtured a strong leadership team and contributed to the business performance and growth of the Company. His rich experience, industry expertise and valuable insights have helped him lead the Company's transformation and growth projects. It becomes imperative to prioritize the continuity and stability of the current leadership. In recognition of his contributions and in the best interests of the Company, it is proposed to retain him in his current role as the Managing Director.

Based on the performance evaluation, the Nomination and Remuneration Committee ("NRC") and the Board of Directors at their meetings held on August 13, 2025, have recommended the appointment of Mr. Arvind Varchaswi as the Managing Director of the Company for a period of five years i.e. commencing from August 13, 2025 to August 12, 2030 on the terms and conditions including remuneration, as contained in this explanatory statement.

Brief Profile of Mr. Arvind Varchaswi:

A distinguished industrialist and a passionate entrepreneur, Mr. Arvind Varchaswi is committed to seeing a healthy, happy, modern world, through the ancient science of life and wellbeing. Under his able leadership Sri Sri Tattva brand, has

grown into a prominent player in FMCG & AYUSH space with the brand presence in 56 countries across six continents.

Mr. Arvind is recognized as Top 100 Retail Minds of India by Asia, Africa GCC Retail & Shopping Centre. He serves as a member of Advisory committee to the Ministry of AYUSH, Government of India. He serves as Group Advisor - International Affairs of AYUSH Advisory Group, constituted by Pharmaceuticals Export Council of India (Pharmexcil), a body set up by the Ministry of Commerce & Industry, Government of India with the objective of export promotion of traditional drugs & pharmaceuticals, Ayurveda & herbal products globally. He co-chairs the AYUSH Committee of Federation of Indian Chambers of Commerce and Industry (FICCI). Mr. Arvind, the distinguished former Chair of LATAM Council of FICCI has also encouraged trade between India and LATAM region. He also serves as a Member on the National Medicinal Plant Board of India, Ministry of AYUSH, Government of India. He serves as the member of Scientific Advisory Board of FIZ Frankfurt Biotechnology Innovation Centre. He is also one of the founding members of Ayushexcil, an Export Promotion Council.

Arvind also serves on the Advisory Board of Research and Information System for Developing Countries (RIS), policy research institute that specializes in issues related to international economic development, trade, investment and technology.

Beyond the corporate sector, Mr. Arvind is a senior instructor with the Art of Living and teaches yoga and meditation programs incorporating life skills, stress relief, ethics and human values.

Proposed Remuneration:

The Board has recommended the following remuneration to Mr. Arvind Varchaswi, which is in line with industry standards for a similar role:

Salary Details:

- a. Remuneration: Rs. 1,00,000/- per month
- b. Gratuity: payable in accordance with an approved scheme of the company.
- c. Provident Fund: Company's contribution to provident fund will be as per the rules made under Employees Provident Fund Miscellaneous Provisions Act, 1956.
- d. Benefits, Perquisites and Allowances:
 - i. Reimbursement of maintenance expenses of car and driver.
 - ii. Free use of Company's mobile phone and telephone at his residence.
 - iii. Reimbursement of medical expenses incurred for himself and family subject to ceiling of one month's salary in a year or three month's salary over a period of 3 years.
 - iv. Earned/Privilege Leave: On full pay and allowance as per rules of the Company. Leave accumulated but not availed during his tenure may be allowed to encash as per the rules of the company.

Confirmations received from Mr. Arvind Varchaswi:

Mr. Arvind Varchaswi has consented to act as the Managing Director in terms of Section 152 of the Companies Act, 2013 and has provided a declaration that he is not disqualified from being appointed as a Managing Director in terms of Section 164 of the Companies Act, 2013.

Board's recommendation

Mr. Arvind Varchaswi brings with him a wealth of experience in leadership, strategic planning, and operational excellence. Over the years, he has demonstrated a deep understanding of the Company's vision and has played a pivotal role in steering key initiatives that have contributed to our growth and brand positioning.

In view of his extensive experience, proven track record, and continued commitment to the Company's long-term objectives, the Board believes that his appointment as the Managing Director will be in the best interest of the Company and its stakeholders.

Information as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings is enclosed as Annexure 1. Information as required under Schedule V of the Companies Act, 2013 is enclosed as Annexure 2.

The Board recommends passing of the proposed resolution stated in Item 3 as Special Resolution and requests your approval for the same.

Except Mr. Arvind Varchaswi and Mr. Narayanan Narasimhan, none of the Directors, Key Managerial Personnel and their relatives, are in any way concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding as Members.

Item No. 4: Appointment of Mrs. Darshna Patel as an Independent Director of the Company for a term of 5 consecutive years.

The Board of Directors of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee, has proposed the appointment of Mrs. Darshna Patel (DIN: 11247972), as the Independent Director (a "Proposed Director") of the Company, not liable to retire by rotation, who shall hold office for a term of five consecutive years commencing from 25th September 2025 to 24th September, 2030, in accordance with the provisions of Section 149 read with Schedule IV of the Act.

The Company has received notice in writing from a Member under section 160 of the Act proposing the candidature of the Proposed Director for the office of Director of the Company.

The Proposed Director has consented to act as a Director of the Company and has given her declaration to the Board that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR. In terms of Regulation 25(8) of the SEBI LODR, the Proposed Director has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties as an Independent Director of the Company. The Proposed Director has also confirmed that she is not debarred from holding the office of a director by virtue of any SEBI Orders or any such Authority pursuant to circular dated 20th June 2018 issued by BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, the Proposed Director is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Proposed Director has confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Brief profile of the Proposed Director - Smt. Darshna Patel:

Smt. Darshna Patel is a renowned and visionary architect at Everest Construction, a prominent design firm specializing in innovative residential architecture and aesthetic interior design. With an illustrious career spanning over four decades, she has led and completed numerous projects across the greater Vadodara region, earning a reputation for design excellence and creativity.

An alumna of Maharaja Sayajirao University, she graduated with distinction, showcasing her academic brilliance and technical prowess early in her journey. Beyond her professional achievements, Smt. Patel is also known for her deep social commitment, actively participating in community welfare initiatives, especially through her association with Art of Living affiliates.

Her work reflects a harmonious blend of functionality, elegance, and cultural sensitivity, making her one of the most respected and influential voices in the regional architectural landscape.

Board's recommendation:

In the opinion of the Board, the Proposed Director fulfils the conditions for independence specified in the Act read with the Rules thereunder and the SEBI LODR, for her appointment as an Independent Non- Executive Director of the Company and is independent of the Management. With regard to her qualifications, experience and knowledge, the Board considers that the Proposed Director association would be of immense benefit to the Company, and it is desirable to avail the services of the Proposed Director as an Independent Director.

A copy of the draft letter for appointment of the Independent Directors setting out the terms and conditions of her appointment, will be available for inspection by the members. Members who wish to inspect the same can send a request to the e-mail address mentioned in the notes to the Notice. The brief profile and specific areas of expertise of the Proposed Director forms part of this Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, Regulation 17 of the SEBI LODR and other applicable regulations, the appointment of the Proposed Director as an Independent Director for five consecutive years commencing from 25th September 2025 is now placed for the approval of the members by way of a Special Resolution. The Proposed Director would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof, if approved by the Board of Directors.

Information as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings is enclosed as Annexure 1.

The Board recommends passing of the proposed resolution stated in Item No. 4 as a Special Resolution and requests your approval for the same.

None of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the accompanying Notice. The Proposed Director is not related to any other Director or KMP of the Company.

Item 5: Ratification of the remuneration payable to the Cost Auditor for the financial year ended March 31, 2025.

The Board, after considering the recommendation of the Audit Committee, had appointed M/s. Chiranjeevulu Jeelaga & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2024-25 on a remuneration of Rs. 60,000/- (Rupees Sixty thousand only) plus out of pocket expenses to be reimbursed at actuals.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules,

2014, the aforesaid remuneration approved by the Board of Directors is required to be ratified by the Shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution.

The Board recommends passing of the proposed resolution stated in Item 5 as an Ordinary Resolution and requests your approval for the same.

Item No. 6: Appointment of M/s. KKR & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company.

Pursuant to the provisions of Regulation 24A of the Listing Regulations, as amended, every listed entity is required to appoint a Peer Reviewed Company Secretary or firm of Company Secretaries as a Secretarial Auditor for a term of five years with the approval of shareholders at the Annual General Meeting.

Accordingly, at its meeting held on August 13, 2025, the Board of Directors, based on the recommendation of the Audit Committee, and after considering the expertise and experience of M/s. KKR & Associates, Practicing Company Secretaries (Firm Registration No. S2024KR993600, Peer Review Certificate No. 4229/2023), has proposed their appointment as the Secretarial Auditors of the Company.

The proposed appointment is for a term of five consecutive years, covering the financial years starting from 2025-26 to 2029-30.

Brief Profile of the Secretarial Auditors:

M/s. KKR & Associates is a peer reviewed and a well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, Bangalore. The firm is led by Mr. Kirana K R who has got more than 14 years of post-qualification experience in the field of corporate governance and compliance. He began his professional career with a leading NSE and BSE listed company, where he served for over five years and gained extensive hands-on experience in handling a wide spectrum of corporate compliance matters. In June 2016, he obtained a Certificate of Practice from ICSI (CP No. 16594) and has been in active practice since then. Over the years, he has developed in depth expertise across various corporate laws and regulations frameworks including Company Act, Securities Law, FEMA, Tax Laws, et.

M/s. KKR & Associates specializes in compliance audit and assurance services, advisory and representation services, and transactional services.

Other disclosures:

No order has been passed by ICSI/SEBI/MCA/any other competent authority/Court, both in India or outside India, in past 5 years against the proposed secretarial auditor.

While recommending M/s. KKR & Associates, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. M/s. KKR & Associates were found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

The firm has been peer reviewed and its peer review certificate is valid till 31st August 2028.

Apart from the Secretarial Audit, M/s. KKR & Associates may render other certification and other assignments as may be approved by the Board of Directors, except for those services which are prohibited under the extant regulations.

M/s. KKR & Associates has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations.

The remuneration payable to M/s. KKR & Associates, Practicing Company Secretaries (Firm Registration No. S2024KR993600), for carrying out the Secretarial Audit of the Company for a period of five (5) consecutive financial years commencing from the financial year 2025-26 and ending with the financial year 2029-30, shall be determined and mutually agreed upon by the Board of Directors of the Company and M/s. KKR & Associates, from time to time, taking into account the scope of work, prevailing industry standards, and other relevant factors.

Accordingly, the consent of the shareholders is sought for the appointment of M/s. KKR & Associates as the Secretarial Auditors of the Company.

The Board recommends passing of the proposed resolution stated in Item 6 as an Ordinary Resolution and requests your approval for the same.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

Item No. 7: Approval for Material Related Party Transactions with Sriveda Sattva Private Limited.

The Members are informed that the Company has been carrying on transactions with its holding Company, Sriveda Sattva Private Limited and it is proposed that the same shall continue in the best interest of the Company.

The members are further informed that during the year the Company has also entered a Trademark Licensing Agreement with Sriveda Sattva Private Limited, for the lease of the brand "Hyenr." for its energy-related business operations in exchange for a royalty payment equivalent to 1% of the turnover. Additionally, a refundable security deposit of ₹5 crores was paid as part of the agreement.

The proposed transactions' limits as mentioned below are proposed for approval.

Sriveda Sattva Private Limited is engaged in the manufacturing and distribution of Ayurvedic and Food Supplements in India and overseas. It is a private limited company, promoter and holding company of the Company in which Mr. Arvind Varchaswi N, Managing Director, Mr. Narayanan Narasimhan, Chairman/Director and Mr. Tejagna Kashmira Katpitia, Director of the Company are Directors.

Sriveda Sattva has a wide network of distributors and retailers and further sells the products of the Company through its network.

Relevant information pertaining to transactions with Sriveda Sattva Private Limited in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, is given below:

Name of the Party	Name of the Director Interested	Nature of Relationship	Particulars of Contract or arrangement	Material or Monetary Value of Contract	Duration of Contract
Sriveda Sattva Private Limited	Mr. Narayanan Narasimhan (00143620) – Chairman Mr. Arvind Varchaswi N (00143713) Director	Promoter and Holding Company	Purchase of goods & services and Sale of goods and services and Payment of Royalty	Not exceeding Rs. 50 Crores	01/10/2025 to 30/09/2026

Terms of Contract or Arrangement:

The Company buys/manufactures products under the brand name or trademark as may be decided by both the parties from time to time. Sriveda further sells these products to the Customers using its existing distribution network throughout India and overseas. Source Natural sells the products to Sriveda Sattva Private Limited at market rate/arm's length price in ordinary course of business.

Your Board of Directors request the members to approve the transactions by passing it as an ordinary resolution.

None of the Directors, Key Managerial Personnel of Company and their relatives other than Mr. Narayanan Narasimhan and Mr. Arvind Varchaswi N are concerned or interested in the said resolution.

Item No. 8. Amendment to the object clause of the Memorandum of Association of the Company:

The Members are hereby informed that the Board of Directors in its meeting held on February 13, 2025 approved the amendment to object clause of the Company to include the business of management and processing of solid waste, including but not limited to municipal waste, agricultural waste, and other similar waste streams, with a focus on potential conversion into valuable resources, including energy generation through various modes and other related activities".

This strategic expansion aligns with the Company's long-term vision of contributing to sustainable development and exploring emerging opportunities in the environmental and renewable energy sectors. The proposed activities are expected to complement the Company's existing operations and open new avenues for growth.

In line with Company's vision to expand into new and high-growth sectors, the Board has proposed amendments to the Object Clause of Memorandum of Association. This amendment aims to broaden the scope of operations and capitalize on emerging business opportunities in areas that align with market demand and future trends.

The amendment to the object clause of the Memorandum of Association requires the approval of the members by way of special resolution and further subject to the approval of the Registrar of Companies.

A copy of the new set of Memorandum of Association of the Company proposed to be adopted together with the

proposed alterations would be available for inspection by the members at the registered office of the Company during normal business hours on any working day, excluding Sunday, up to and including the date of the Annual General Meeting.

The Board recommends passing of the proposed resolution stated in Item 8 as Special Resolution and requests your approval for the same.

None of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No.8 of the accompanying Notice.

Annexure 1

Details of directors seeking Appointment and Re-appointment

[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings]

Name of Director	Mr. Narayanan Narasimhan	Mr. Arvind Varchaswi N	Mrs.Darshna Patel
Director Identification Number (DIN)	00143620	00143713	11247972
Date of Birth and Age	04/02/1948 and 77 years	15/10/1982 and 42 years	5th September 1955 and 70 years
Nationality	Indian	Indian	United States of America
Date of Appointment on the Board & Designation	30/06/2008 and Non-Executive Director	26/06/2015 and Managing Director	Not applicable (new appointment)
Qualification	Detailed profile of the appointee's is available in Explanatory Statement to the Notice.		
Brief Profile			
Nature of expertise in specific functional area/ skills and capabilities			
List of Directorships held in other Companies including listed entities	1. Sriveda Sattva Private Limited	a. Sriveda Sattva Private Limited b. Hyenr Private Limited c. Sumeru Global Holdings and Services Private Limited. d. Elyments Platforms Private Limited	Nil
Number of Board meetings of the Company attended during the year*	7	8	Not applicable (new appointment)

Remuneration sought to be paid	Nil	As mentioned in the Explanatory Statement to the Notice	Nil
Last drawn remuneration in Source Natural	Nil	Rs.12,00,000/- per annum	Nil
Names of Listed entities from which the person has resigned as Director in past 3 years	Nil	Nil	Nil
Name of other companies in which he holds Chairmanship/ Membership of Committees of Board	Nil	Nil	Nil
No. of Shares held in the Company, including shareholding as a beneficial owner	Nil	Nil	Nil
Disclosure of inter-se relationships between Directors and Key Managerial Personnel	Mr. Narayanan Narasimhan is the father of Mr. Arvind Varchaswi, the Managing Director	Mr. Arvind Varchaswi is the son of Mr. Narayanan Narasimhan, Non-Executive Director	Not related to any other Director or KMP in the Company.

***The details are given for the financial year 2024-25 and current financial year till the date of this Notice.**

Annexure 2

Information as required under Schedule V of the Companies Act, 2013 relating to Mr. Arvind Varchaswi, is provided below:

1. General Information

Nature of Industry	The Company is engaged in the business of manufacturing and trading of Ayurvedic Medicines, Food and Herbal Supplements and in the business of generating green and clean energy.
Date or expected date of commencement of commercial production	Not applicable, as the Company is an existing Company.
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable, as the Company is an existing Company

Financial performance based on given indicators (Standalone)**(Rs. in Lakhs)**

Particulars	2024-25	2023-24	2022-23
Total Revenue	4,500.14	2,730.31	1,980.03
Total Expense (excluding exception items)	4,141.82	2,407.50	1,706.46
Profit/ (Loss) After Tax	290.40	173.65	212.11
Interim Dividend, if any	-	-	-
Final Dividend	-	-	-
Total dividend for FY	-	-	-
Foreign investments or collaborations, if any	The Company is listed on the BSE Limited. As of June 30, 2025, the Foreign Holding in the Company was at 3.22%. The Company does not have any Foreign Collaborations.		

2. Information about Appointee:

Name	Arvind Varchaswi N
Background details, Recognition/ Awards, Job Profile and Suitability to the role, Past Remuneration and Remuneration proposed	As mentioned in Explanatory Statement under Item No.3
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the significant expertise of the appointee in his respective areas and acknowledging the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar level counterpart(s) in other companies to encourage good professionals with a sound career record.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	The Appointee is a Promoter of the Company and is son of Mr.Narayanan Narasimhan, Non-executive Chairman. He does not have any other pecuniary relationship with the Company other than the remuneration he received/will receive as the Managing Director of the Company.

3. Other information**a. Reasons of loss or inadequate profits:**

The Company has not incurred any loss or experienced inadequate profits during the financial year under review. The business continues to perform well, with consistent revenue growth and profitability.

b. Steps taken or proposed to be taken for improvement:

While the Company is already profitable, it continues to take proactive measures to enhance operational efficiency, expand its product portfolio, invest in research and development of Ayurvedic formulations, and explore new domestic and international markets to further augment revenue and profitability.

c. Expected increase in productivity and profits in measurable terms:

The Company has taken various initiatives to diversify its core operations by entering into green energy, wastewater management, solid waste management verticals. It has been aggressively pursuing and implementing its strategies to improve financial performance. We continue to expand our scale across key markets to take the fastest lane to relevant opportunity, maximize our portfolio, reach out to more customers and strengthen our margins.

DIRECTORS' REPORT

To,
The Members,
Source Natural Foods and Herbal Supplements Limited, Bangalore

The Board of Directors is pleased to submit the report of the business and operations of your Company along with the audited financial statements, for the financial year ended March 31, 2025. The Financial Highlights for the year under review are given below:

1. FINANCIAL RESULTS:

(Rs. in Lakhs)

Particulars	31.03.2025	31.03.2024
Total revenue	4,500.14	2,730.31
Profit/ (Loss) before exceptional and extraordinary items and tax	358.32	322.81
Exceptional Items	0.00	5.00
Profit before extraordinary items and tax	358.32	317.81
Extraordinary Items	0.00	0.00
Tax expenses	67.92	144.15
Deferred Tax		-
Net Profit/(Loss) carried to Balance Sheet	290.40	173.65
Earnings Per Share (Basic/ Diluted)	4.51	2.70

2. PERFORMANCE REVIEW:

The Total revenue of the Company for the year ended 31st March 2025 was Rs. 4,500.14 Lakhs, as compared to the total revenue in the corresponding previous year of Rs. 2,730.31 Lakhs.

The total expenses for the year ended 31st March 2025 have increased to Rs. 4,141.82 lakhs compared to the total expenses in the corresponding previous year of Rs. 2,407.50 lakhs.

Company Performance and Valuation

► **Growth Metrics:** The Company has experienced impressive growth with a top-line of approximately 65% over the last year. The Company has recorded an increase in Profit before Tax (PBT) during the year, registering 13% growth. Your directors are confident of continuous growth in the coming years in terms of revenue and profitability.

► **Financial Strength:** Strong financial fundamentals are evidenced by peer-average net margins and ROE percentages. The intrinsic value of the company exceeds its current market capitalization, suggesting potential for further growth.

New Product Launch

► **Product Introduction:** The company has planned to expand its product portfolio with new launches in Ayurvedic Medicines and Foods Supplements segments. The Company has been aggressively exploring and expanding its portfolios in green energy vertical. The Management is also focusing on diversification into wastewater and solid waste management during the year.

Marketing Strategy

► **Communication:**

- a. Pull Mechanism: Leverages reputation and cumulative advantages to attract customers rather than traditional push methods.
- b. Direct Marketing: Utilizes personal presentations, product demonstrations, and participation in industry events to build and maintain relationships.

► **Customer Engagement & Retention:**

- a. Acquisition Criteria: Focuses on clients' creditworthiness, market standing, and long-term relationship potential.
- b. Ongoing Engagement: Regular interaction to align with customer preferences and market trends, aiming for high customer satisfaction and delight.

► **Target Audience Segmentation:**

- a. National Chains: Company is engaging with some other channels for products to be on their shelves in newer markets. Formal presentations and demonstrations are being made.
- b. Local Chains: Informal approaches with physical stock presentations and product benefits explanations.
- c. Family or standalone Stores: Personalized engagement with high retention.

► **Distributors & Exporters:** Tailored strategies for supply and export are being worked upon continuously as per market needs.

► **Industry Challenges and Future Outlook**

- a. Labor Issues: Shortage of skilled labor and resistance to automation due to traditional methods.
- b. Automation: The shift towards high-end automation necessitating systematic training for new technologies.

3. FUTURE PROSPECTS & OUTLOOK:

The future looks to be very interesting for the dietary supplements market. Ayurveda and herbal are increasingly becoming “back to roots” answers to modern problems. Your company vision is to make the Ayurveda reach across the globe by focusing on selling Ayurveda-based and immunity-boosting products. The requirements of consumers have shifted to healthy foods and beverages options.

Your Company intends to focus on increasing their portfolio of immunity-boosting products and will continue to contribute towards the growth of Ayurveda and Herbal Supplements and at the same time enhance shareholders wealth by accelerated performance.

During the year, the Company has strategically diversified into the generation of green and clean energy, marking a significant step towards sustainable growth and environmental responsibility. This initiative aligns with our long-term vision of contributing to India's renewable energy transition while creating value for all stakeholders. The Company has commenced activities in renewable energy generation with a focus on harnessing sustainable sources, thereby reducing carbon footprint and promoting cleaner energy alternatives.

Source Natural is all geared up for 2025-26 with new product lines and new business verticals. The focus will be on offering wellness products enriched with Ayurvedic herbs and exploring new business opportunities in green energy and waste management fields.

4. RESEARCH AND DEVELOPMENT:

Ayurveda refers to natural ancient healthcare system and science of medicine. The Indian ayurvedic products market is primarily driven by the increasing preference for organic and natural products among the masses. In line with this, the rising awareness regarding the harmful effects of chemicals utilized in the formulation of various skincare and personal care products and the growing health-consciousness among individuals are creating a positive market outlook. Moreover, the penetration of high-speed internet and the rising popularity of social media among the masses are further providing a boost to the demand for ayurvedic products in India. The research methodology should be planned and adopted accordingly.

5. DIVIDEND:

In order to conserve the available resources for future growth, your directors do not recommend any dividend for the financial year ended 31-03-2025.

6. AMOUNT TRANSFERRED TO RESERVES:

Your directors do not propose to transfer any amount to any reserves. The entire profit will be retained as surplus.

7. CHANGE IN THE NATURE OF BUSINESS:

As per the requirements Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014, Company declares that there is no significant change in the nature of business of the Company during the financial year under review, except for diversification of its core businesses into green energy sector.

8. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

As per the requirements Section 134(3)(l) of the Companies Act, 2013, Company declares that, there were no significant material changes and commitments affecting financial position of the Company between 31st March, 2025 and the date of this Report.

9. SHARE CAPITAL:

The Authorised Share Capital of your Company is Rs.9,00,00,000/- divided into 90,00,000 Equity Shares of Rs. 10/- each. The Paid-up Capital is Rs. 6,43,69,310/- divided into 64,36,931 Equity Shares of Rs. 10/- each.

During the year under review, there was no change in the Share Capital of the Company.

- a. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:

The Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (Share capital and Debentures) Rules, 2014.

- b. Issue of Sweat Equity Shares:

The Company has not issued any sweat equity share during the financial year, in accordance with the provisions of Section 54 of Companies Act, 2013 read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014.

- c. Issue of Equity Shares with Differential Rights:

The Company has not issued any equity shares with differential voting rights during the financial year, as per Rule 4(4) of Companies (Share capital and Debentures) Rules, 2014.

- d. Issue of Employee Stock Option:

The Company has not issued any employee stock option during the financial year, as per Rule 12 of Companies (Share Capital and Debentures) Rules, 2014.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

KEY MANAGERIAL PERSONNEL:

In compliance with Section 203 of the Companies Act, 2013, the following are the Key managerial Personnel of the Company:

Mr. Arvind Varchaswi N. - Managing Director

Mr. R. Ramachandra - Chief Financial Officer

Mr. Yash Jain - Company Secretary & Compliance Officer*

***Mr. Yash Jain was appointed with effect from 6th September 2024**

A. RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Narayan Narasimhan retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your directors recommend his re-appointment.

B. APPOINTMENT

During the year under review, following Directors and KMP were appointed:

- Mr. Puvan Sripathy was appointed as an Independent Director with effect from September 30, 2024
- Commodore HG Harsha was appointed as an Independent Director with effect from September 30, 2024
- Mrs. Romila Sen was appointed as an Independent Director with effect from September 30, 2024
- Mr. Prasana Prabhu was appointed as an Independent Director with effect from September 30, 2024
- Dr. JP Gupta was appointed as a Non-executive Director with effect from September 30, 2024
- Mr. Sturle Harald Pedersen was appointed as a Non-executive Director with effect from September 30, 2024
- Mr. Yash Jain was appointed as Company Secretary and Compliance Officer with effect from September 6, 2024.

C. CESSATION

During the year under review, following Directors retired upon completion of their term.

- Mr. Srinivas Gowra retired as an Independent Director with effect from September 30, 2024.
- Mr. Sriram Chandrasekaran retired as an Independent Director with effect from September 30, 2024.
- Mrs. Bharathy retired as an Independent Director with effect from September 30, 2024.

D. POLICY ON DIRECTORS' APPOINTMENT, ANNUAL PERFORMANCE EVALUATION OF THE BOARD AND POLICY ON REMUNERATION:

Pursuant to the requirements under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the Board adopted the policy on appointment of Board members including criteria for determining qualification, positive attributes, independence of a director and the policy on remuneration of Directors and KMP.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive directors and non-executive directors. The same was discussed in the Board meeting that followed, at which the performance of the Board, its Committees and individual directors were discussed.

E. DECLARATION OF INDEPENDENT DIRECTORS:

In accordance with Section 149(7) of the Companies Act, 2013, the Independent Directors of your Company, have given a Declaration that they meet the criteria of Independence as provided in sub section (6) of Section 149 of the Act. There has been no change in terms and conditions of appointment of Independent Directors.

(I) Familiarization Programmes for Independent Directors:

In accordance with the requirements of Listing Regulations, all the Independent Directors are familiarized with their roles, rights and responsibilities in the Company at the time of appointment and also on a recurrent basis. The details of the policy relating to appointment of Independent Directors and familiarization programme imparted to Independent Directors of the Company during Financial Year 2024-25 are available on the website of the Company at: <http://www.source-natural.com>.

F. PARTICULARS OF REMUNERATION TO DIRECTORS/KMP/EMPLOYEES:

There were no employees during the year 2024-25 receiving remuneration in excess of threshold mentioned under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details of Remuneration paid to the Directors, Key Managerial Personnel and Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Form MGT-7 which is posted on website of the company at <https://www.source-natural.com/pages/annual-report-annual-returns>.

11. NUMBER OF MEETINGS OF THE BOARD AND THEIR ATTENDANCE DURING THE FINANCIAL YEAR 2024-25.

Sr. No.	Name of the Director	24.05. 2024	26.06. 2024	14.08. 2024	06.09. 2024	12.11. 2024	13.02. 2025
1.	Mr. N. Narasimhan	P	LoA	P	P	P	P
2.	Mr. Arvind Varchaswi. N	P	P	P	P	P	P

3.	Mr. Tejagna Katpitia	LoA	P	P	P	P	P
4.	Mr. Srinivas Gowra (Retired w.e.f. 30.09.2024)	P	P	P	P	-	-
5.	Mr. Sriram Chandrasekaran (Retired w.e.f. 30.09.2024)	P	P	P	P	-	-
6.	Mr. C L Rathi	LoA	P	P	P	P	LoA
7.	Mrs. Bharathy (Retired w.e.f. 30.09.2024)	P	P	P	P	-	-
8.	Mr. Puvan Sripathy	-	-	-	-	P	P
9.	Commodore H G Harsha	-	-	-	-	P	P
10.	Mr. Prasana Prabhu	-	-	-	-	P	P
11.	Mrs. Romila Sen	-	-	-	-	P	P
12.	Mr. JP Gupta	-	-	-	-	P	P
13.	Mr. Sturle Harald Pedersen	-	-	-	-	P	LoA

12. NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:

During the year 2024-25, the Committee met 4 (Four) times on the following dates, viz, May 24, 2024, August 14, 2024, November 12, 2024 and February 13, 2025.

The following are the details of the Directors, their attendance at the Audit Committee Meeting held during the year 2024-25.

Name	Designation in committee	Attendance
*Mr. Chandrakumar L. Rathi	Chairman	2
**Commodore H.G. Harsha	Member	2
**Mr. Puvan Sripathy	Member	2
^Mr. Srinivas Gowra	Member	2
^Mr. Sriram Chandrasekaran	Member	2

*Appointed as Chairperson of the Audit committee w.e.f. October 1, 2024

**Appointed as member of the Audit committee w.e.f. October 1, 2024

^Cessation upon retirement w.e.f. September 30, 2024

13. NUMBER OF MEETINGS OF THE STAKEHOLDERS’ RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is constituted pursuant to the provisions of the Companies Act, 2013. During the year 2024-25, the Committee met once on 13th February, 2025. The following are the details of the Members, their attendance at the Stakeholders Relationship Committee Meeting held during the year 2024-25.

Name	Designation	Attendance
Commodore H.G. Harsha	Chairman	1
Mr. Prasana Prabhu	Member	1
Mr. Sturle Harald Pedersen	Member	0

14. NUMBER OF MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted pursuant to the provisions of the Companies Act, 2013. During the year 2024-25, the Committee met once on 6th September, 2024. The following are the details of the Members, their attendance at the Nomination and Remuneration Committee Meeting held during the year 2024-25.

Name	Designation	Attendance
*Mrs. Romila Sen	Chairperson	0
**Mr. Chandrakumar L Rathi	Member	0
**Dr. Jeewan Prakash Gupta	Member	0
^Mrs. Bharathy	Member	1
^Mr. Srinivas Gowra	Member	1
^Mr. Sriram Chandrasekaran	Member	1

*Appointed as Chairperson of the NRC w.e.f. October 1, 2024

** Appointed as member of the NRC w.e.f. October 1, 2024

^ Cessation upon retirement w.e.f. September 30, 2024

15. DETAILS OF SHAREHOLDERS MEETINGS HELD AND ATTENDANCE FOR THE YEAR 2024:

Details of General Meeting	Date of Meeting	Number of Shareholders		
		Entitled	Attended	%
Annual General Meeting	30-09-2024	3,868	20	0.52

16.A) DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2025.

Category / No of Shares	Number of Shareholders	% of Total Shareholders	No. of shares	% of Holdings to Total shareholding
Up-to - 500	3577	92.93	2,40,122	3.73
501 – 1,000	127	3.30	95,366	1.48
1,001 – 2,000	47	1.22	64,622	1
2,001 – 3,000	22	0.57	54,230	0.84

Category / No of Shares	Number of Shareholders	% of Total Shareholders	No. of shares	% of Holdings to Total shareholding
3,001 – 4,000	16	0.42	57,051	0.89
4,001 – 5,000	13	0.34	59,009	0.92
5,001 – 10,000	16	0.42	1,15,838	1.8
10,001 and above	31	0.81	57,50,693	89.34
Total	3,849	100	64,36,931	100

16. B) MARKET PRICE DATA AND PERFORMANCE COMPARISON:

The market price data High, Low and Close during each month from 1st April 2024 to 31st March, 2025 are mentioned below:

	Monthly Market price details from 01.04.2024 to 31.03.2025			
Trade date/Month	Open	High	Low	Close
April, 2024	88.16	93.70	83.00	84.80
May, 2024	86.50	90.95	78.00	83.26
June, 2024	83.50	167.05	83.15	167.05
July, 2024	183.75	199.00	140.95	179.40
August, 2024	176.10	232.5	158.05	232.50
September, 2024	237.15	237.15	180.05	215.85
October, 2024	226.60	269.75	195.55	225.20
November, 2024	229.70	253.45	222.35	247.65
December, 2024	255.00	260.00	182.65	192.90
January, 2025	195.50	212.00	165.05	176.90
February, 2025	176.70	206.95	118.95	130.00
March, 2025	130.30	215.00	129.00	208.15

17. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- That they have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2025 and of the profit and loss of the Company for that period;
- That they have taken proper and sufficient care for the maintenance of adequate accounting records in

- accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That they have prepared the annual accounts on a going concern basis;
- e. That they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. AUDITORS:

In accordance with Section 139 of the Companies Act, 2013 and rules framed there under, M/s. Srinaga & Giridharan, Chartered Accountants, Bangalore were appointed as the Statutory Auditors of the Company at 26th Annual General Meeting for a period of 5 years. The Audit Report for the financial year 2024-25 as certified by the Statutory Auditors of the Company does not contain any qualification, reservation or adverse remarks and therefore does not require any explanations from the Directors.

Reporting of Frauds by Auditors:

During the year under review, there was no instance of frauds reported by the Auditors under Section 143 (12) of the Companies Act, 2013 and the rules made thereunder.

19. SECRETARIAL AUDIT REPORT:

The Board appointed CS. Ajay Suman Shrivastava, Practicing Company Secretary, to carry out Secretarial Audit for the financial year 2024-25, under the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed to this report as Annexure-1. There are no qualifications made by the Auditor in the report. Annexure 2 is annexed as certificate of Non-Dis-Qualification of Directors.

20. COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the various provisions of all mandatory Secretarial Standards, including amendments thereto, as issued by the Institute of Company Secretaries of India ('ICSI').

21. RELATED PARTY TRANSACTIONS:

All Related Party Transactions were in compliance of the Companies Act, 2013 and the SEBI Listing Regulations. There were no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large.

All Related Party Transactions entered into by the Company were in the Ordinary Course of Business and at an Arm's Length basis and were reviewed and approved by the Audit Committee and the Board and have been approved by shareholders. Omnibus approval was obtained for the transactions which were foreseeable and repetitive in nature. A statement of all Related Party Transactions was presented before the Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of the transactions. Complete details of the Related Party Transactions are given in the Notes to Financial Statements forming part of this Annual Report.

In compliance with the requirements of the Listing Regulations, the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transaction as approved by the Board may be accessed on the Company's website: <http://www.source-natural.com>

Information on transactions with Related Parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are given in Form AOC-2 and is attached as "Annexure – 5" to this Annual Report.

22. CREDIT RATINGS:

The Company has not obtained any Credit Rating from any agency as the same is not mandated by any Bank due to low Credit exposure of the Company.

23. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report, prepared in accordance with Schedule V of the SEBI Listing Regulations, are annexed to this report as Annexure-3.

24. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

During the year under review, there have been no significant and material orders passed by any regulators or courts or tribunal.

25. RISK MANAGEMENT:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the Meetings of the Audit Committee and the Board of Director of the Company.

The Company identifies the risks and control systems to mitigate them are in place. In the opinion of the Board, at present there are no risks which may threaten the existence of the Company.

26. ANNUAL RETURN:

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rule, 2014, the Annual Return of the Company for the year ended March 31, 2025, has been hosted on the Company's website, which can be accessed at www.source-natural.com.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:

According to section 134(5)(e) of the Act the term Internal Financial Control (IFC) means the policies and procedures adopted by the company 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.

The Company has put in place an adequate system of internal financial controls with respect to the Financial Statements, which is commensurate with its size and nature of business, which helps in ensuring the orderly and efficient conduct of business. No reportable material weakness in the operation was observed.

28. ESTABLISHMENT OF VIGIL MECHANISM:

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. The Company has created the framework for individuals to seek recourse and redressal to instances of sexual harassment. The Company has in place a Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH, 2013). The policy formulated by the Company for prevention of sexual harassment is available on the website of the Company at www.source-natural.com. The Company has complied with the provision relating to the constitution of Internal Committee under POSH, 2013.

During the year under review, no complaint pertaining to sexual harassment at work place has been received by the Company.

30. COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including all applicable amendments and rules framed thereunder. The Company is committed to ensuring a safe, inclusive, and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as prescribed under the Maternity Benefit Act, 1961, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and HR policies are in place to uphold the spirit and letter of the legislation.

31. GENDER-WISE COMPOSITION OF EMPLOYEES

In alignment with the principles of diversity, equity, and inclusion (DEI), the Company discloses below the gender composition of its workforce as on the March 31, 2025.

Male Employees: 34
Female Employees: 6
Transgender Employees: NIL

This disclosure reinforces the Company's efforts to promote an inclusive workplace culture and equal opportunity for all individuals, regardless of gender.

32. CORPORATE SOCIAL RESPONSIBILITY (CSR):

As your Company's net worth does not exceed Rs. 500 Crores (or) Company's turnover does not exceed Rs. 1,000 Crores or company's net profit does not exceed Rs. 5 Crores for the financial year, the provisions under Section 135 of the Act read with rules made there under, are not applicable. Hence, the compliance to the initiative of Corporate Social Responsibility is not required.

33. PREVENTION OF INSIDER TRADING:

The Board of Directors have adopted the Insider Trading Policy in accordance with the requirement of the SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time. The Insider Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code. The same has been displayed at the company's website at www.source-natural.com

34. LISTING:

The shares of your Company continue to be listed on BSE Limited and traded actively during the year and the listing fees for the year 2024-25 have been paid. Your Company has duly complied with all the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year under review.

35. SECURED LOANS

The secured loans of the Company stood at Rs.741 Lakhs as on 31st March, 2025.

36. FIXED ASSETS

New assets valuing Rs.8.95 Lakhs have been acquired during the year and, as a result, the net block of fixed assets stands at Rs.393.21 Lakhs at end 31.03.2025, after providing an accumulated depreciation of Rs.598.73 Lakhs.

37. General Shareholder Information

1. 30th Annual General Meeting

Date and Time: 25h September 2025, 11:30 A.M

2. Financial Calendar (2025-26) (Tentative)

The Financial year of the company is from 1st April of the year to 31st March of the next year.

For the year ending 31st March, 2026 quarterly Un-audited / Annual Audited results shall be announced as follows:

Financial reporting for	Proposed Date
Unaudited Results for the Quarter ending: 30th June, 2025	Declared on 13th August, 2025
Unaudited Results for the Quarter ending: 30th September, 2025	On or before 14th November 2025

Financial reporting for	Proposed Date
Unaudited Results for the Quarter ending: 31st December, 2025	On or before 14th February 2026
Audited Results for the year ended 31st March, 2026	On or before 30th May 2026

- 3. Book Closure Date:** 19th day of September 2025 to 25th day of September 2025 (Both days inclusive)
- 4) Registered Office** No: 201, Sumeru Towers, 2nd Floor, #54/46, 39th A Cross, 11th Main Road, Jayanagar 4thT Block, Bangalore - 500 041
- 5) Listing of Equity Shares:** BSE Limited, Mumbai (BSE)
- 6) Listing Fees** Listing fee has been paid to BSE Limited till the year 2025-2026
- 7) Stock Code** 531398
- 8) ISIN No.** INE679C01027
- 9) CIN Number** L24231KA1995PLC101742
- 10) Plant Location:** Plot No: 22 & 23, SVCIE, Bachupally, Bachupally Mandal, Medchal Malkajigiri – Dist Hyderabad - 500 090.

38. OTHER DISCLOSURES:

a. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Pursuant to the provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014, the details of conservation of energy and technology absorption and Foreign exchange earnings and outgo are attached as Annexure-4.

b. Subsidiary, Holding, Associate Companies:

There are no subsidiaries to your Company as on the date of report. In terms of the shareholding, the Company is a subsidiary of Sriveda Sattva Private Limited.

c. Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence no details are furnished in this regard.

d. Particulars of Contracts or Arrangements made with Related Parties:

All the related party transactions are entered on arm's length basis and in the ordinary course of business, in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

The details of the transactions with related parties are provided in the Notes to the financial statements.

e. Fixed Deposits:

Your Company has not accepted any Fixed Deposits from the Public within the meaning of Section 73 to 76 of the Companies Act, 2013, during the year under review. The details for the same are filed with the concerned authorities.

f. Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year:

Your company has not made any application under Insolvency and bankruptcy Code, 2016 during the year under review.

The details of difference between amount of the valuation done at the time of one time-settlement and the valuation done while taking Loan from the Banks or Financial Institutions along with the reasons thereof:

g. The company has not done any one-time settlement with the banks during the year under review.

39. ACKNOWLEDGEMENTS:

The Board take this opportunity to express their gratitude to all the customers, vendors, investors and bankers for their continued support during the year. It places on record its appreciation for the contribution made by the employees of the company at all levels. The Board also wishes to record its appreciation for business constituents like SEBI, BSE, NSDL, CDSL etc. for their continued support.

The Board thanks the Government of India, particularly the Ministry of Commerce, the Ministry of Finance, the Ministry of Corporate affairs, the State Governments, and other government agencies for their support, and look forward to their continued support in the future as well.

Place: Bangalore
Date: 30.08.2025

For and On Behalf of the Board

(Arvind Varchaswi N.)	(Tejagna K Katpitia)
Managing Director	Director
DIN: 00143713	DIN:00445283

Annexure -I

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,

Source Natural Foods and Herbal Supplements Limited,

201, II Floor, Sumeru Towers, #54/46, 39thA Cross, 11thMain Road, Jayanagar, 4thT Block, Bangalore- 560041.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SOURCE NATURAL FOODS AND HERBAL SUPPLEMENTS LIMITED (CIN:L24231KA1995PLC101742) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. This Report is to be read with the letter of even date which is annexed to this as 'Annexure- I' and forms an integral part of this report.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, during the audit period covering the financial year ended on 31st March, 2025, has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (No provisions were attracted during the period under review)

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; -Not Applicable to the Company during the Audit Period
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not Applicable to the Company during the Audit Period
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Company's shares and dealing with its members;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable to the Company during the Audit Period and
 - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2021; Not Applicable to the Company during the Audit Period.
 - h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: Not Applicable to the Company for the period under review.
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended.
- vi. Company specific regulations: Pharmacy Act, 1948, Drugs and Cosmetics Act, 1940, Homoeopathy Central Council Act, 1973, Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954, Narcotic Drugs and Psychotropic Substances Act, 1985, Petroleum Act, 1934, Insecticide Act, 1968, Poisons Act, 1919, Food Safety and Standards Act, 2006, Biological Diversity Act, 2002, Indian Boilers Act, 1923 and applicable labour laws;
- vii. Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008, Environment Protection Act, 1986;
- viii. The Indian Copyright Act, 1957, The Patents Act, 1970, Trade Marks Act, 1999.
- i. have also examined compliance with the applicable clauses of the following:
 - ii. Secretarial Standards issued by The Institute of Company Secretaries of India.
 - iii. SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended.

During the Audit period under review for the Financial Year ended 31st March 2025 and as per the clarification, representations provided by the Management in writing and oral in the Secretarial Audit checklist prepared by me, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement, SEBI notifications etc. mentioned above. There are no fresh transactions attracting the provisions of FEMA during the reporting period.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that

- » The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors during the period under review as Three Independent Directors vacated office and Four new Independent Directors and Two Non-Executive Directors were appointed.
- » Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- » Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Hyderabad
Date: 28.07.2025

Sd/-
 Signature:
 Name of Company Secretary in practice:
AJAY SUMAN SHRIVASTAVA
 FCS No.: 3489 | C.P. No.: 3479
 UDIN: F003489G000872709

To,
The Members,
Source Natural Foods and Herbal Supplements Limited,
201, II Floor, Sumeru Towers, #54/46, 39thA Cross, 11thMain Road, Jayanagar, 4thT Block, Bangalore- 560041.

This letter is to be read with the report even date and forms an integral part of this report.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my remote audit as possible in times of pandemic.
2. I have followed the basic audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures and transparency, on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

Place: Hyderabad

Date: 28.07.2025

Sd/-

Signature:

Name of Company Secretary in practice:

AJAY SUMAN SHRIVASTAVA

FCS No.: 3489 | C.P. No.: 3479

UDIN: F003489G000872709

Annexure - 2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Source Natural Foods and Herbal Supplements Limited,
201, II Floor, Sumeru Towers, #54/46, 39thA Cross, 11thMain Road, Jayanagar, 4thT Block, Bangalore- 560041.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Source Natural Foods and Herbal Supplements Limited, (hereinafter referred to as 'the Company')(BSE Code: 531398), produced before me as per the relaxations provided by Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	Designation	DIN	Date of Appointment/ Re-appointment
1.	Mr. Narayanan Narasimhan	Non-executive Director	00143620	30.06.2008
2.	Mr. Arvind Varchaswi Narasimhan	Managing Director	00143713	26.06.2020
3.	Mr. Tejagna Kashmira Katpitia	Executive Director	00445283	14.06.2017
4.	Mr. Chandrakumar Laxminarayan Rathi	Independent Director	00365691	29.09.2020
5.	Mr. Puvan Sripathy	Independent Director	02248626	30.09.2024
6.	Commodore H.G. Harsha	Independent Director	10756417	30.09.2024
7.	Mrs. Romila Sen	Independent Director	01201142	30.09.2024
8.	Mr. Prasana Prabhu	Independent Director	03055267	30.09.2024
9.	Dr. Jeewan Prakash Gupta	Non-executive Director	00181105	30.09.2024
10.	Mr. Sturle Harald Pedersen	Non-executive Director	06951887	30.09.2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification of records available. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company nor it in any way certifies the ethical conduct of the said Directors for effective compliance of laws in India.

Place: Hyderabad

Date: 11.08.2025

AJAY SUMAN SHRIVASTAVA

Practicing Company Secretary

FCS No. 3489 | CP No. 3479

UDIN: F003489G000975240

Annexure - 3

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT- INDIAN ECONOMY

Healthcare

Healthcare is one of India's largest and significant sectors, both in terms of Revenue and Employment. The Indian healthcare sector is growing at an agile pace due to its strengthening coverage, services and increasing expenditure by public as well private players. Ayurveda is witnessing a resurgence in India because people have accepted this as a way of life as opposed to the earlier notion of Ayurveda as an alternative area of medicine.

COVID-19 has created the biggest seismic shift taking health and immunity to the centre stage. Indian consumers have opened their wallets to fitness classes and activities, consuming natural foods, health supplements, and following specialized diets.

Customers embracing digital platforms on health subjects is a new reality, opening a range of opportunities for companies in the sector. As growth begins to stabilize in more developed countries such as the US, attention is turning to emerging markets with a fast-expanding middle class. Consumers have started to realize the benefits of spending today for a healthier tomorrow. In India, with relatively suboptimal access to health infrastructure, this could pave the way for a new balanced model of managing health.

Green Energy

India is working towards ambitious goals like 500 GW of non-fossil electricity capacity by 2030 and Net Zero by 2070, supported by schemes like the National Green Hydrogen Mission and the PM-KUSUM scheme. This offers numerous business opportunities, especially in solar energy, Electric vehicle (EV) charging infrastructure, etc attracting both large companies and smaller ventures.

Waste Management

Business opportunities in India's wastewater and solid waste management sectors are vast, driven by growing urban and industrial demands, regulatory mandates, and government initiatives like the Jal Jeevan Mission and Namami Gange. Key areas for business ventures include building and operating sewage treatment plants (STPs) and effluent treatment plants (ETPs), offering Operations & Maintenance (O&M) services, developing smart water monitoring systems, promoting waste-to-energy production, and creating industrial-scale water reuse and Zero Liquid Discharge (ZLD) solutions

OUTLOOK

Some of the many latent benefits that came in conjunction with the challenges of the pandemic include a better and faster decision-making approach, increased focus on upskilling, and individual and team productivity. With these learnings we have developed a more optimistic future outlook, we believe that we are well-positioned to meet the challenges and generate sustainable long-term growth.

The Company is planning to invest more in R & D in order to improve the quality and standards of services and existing products.

E-commerce has emerged as strong growth driver and as the most preferred method of purchase. This trend is only set to growing the coming years. Use of Digital transformation to flare growth and innovation is not a new imperative for Source. But the pandemic has made it urgent for us to enhance our agility, reach, and data-driven decisions. Your company is riding high on the digital revolution by pursuing aggressive-commerce and digital marketing strategy to tap the growing segment and market size.

During the year we made promising start into our green energy business, reinforcing our commitment to a low-carbon future. Our operations saw successful implementation of few projects covering residential rooftop solar solutions under Pradhan Mantri Surya Ghar Muft Bijli Yojana, delivering state-of-the-art solar power solutions to organisations and ground mounted 10MW solar installation at Pavagada, Karnataka.

The Company has also forayed into wastewater management with its patented BIO-Green STP model which showed early encouraging results.

The Company will keenly focus on expanding its footprint in these new business ventures exploring emerging technologies. As we continue to grow, we remain dedicated to making green energy more accessible, reliable, and impactful for the communities we serve.

RISKS AND OPPORTUNITIES

Regulatory concerns, consumer perceptions, Competition, Environment & Climate Change, Counterfeit Products are the main concerns for the Ayurveda Industry. Regulatory Agencies all over the world are focussing on quality, efficiency, safety and standardization of herbal medicines.

Business is subject to risks and uncertainties that could have both short-term and long-term implications for the Company. The COVID-19 outbreak in 2020 and consequent measures undertaken by various governments across the world to contain its spread negatively impacted our business in the initial part of the 2020-21 financial year. Your Company not only managed these risks successfully but also converted them into opportunities.

Since the onset of Covid-19 pandemic, people are focusing on their diet, nutrition intake, and how they can possibly boost their immunity and overall health. Your company offer products to strengthen immunity for both adults and kids. From Ayurveda's standpoint, commonly available natural herbs that are found in the kitchen can do wonders for our immunity. We focus on the products based on that natural herb and they are doing extremely well with the consumers.

These risks and concerns are mitigated through appropriate risk management systems which have been an integral part of the business of the Company. The risk management system of the Company enables to reassess critical risks in changing business environment that need to be focussed on.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has a well-established and comprehensive internal control system and structure across the value chain to ensure that its assets are safeguarded, transactions are authorized, recorded and reported correctly and operations are conducted in an efficient and cost-effective manner. In order to ensure orderly and efficient conduct of business the company has put in place systems which include policies and procedures, IT systems, delegation of authority, segregation of duties, internal audit by Third party and review framework etc.

Further the Audit Committee comprises of the members from the Board so as to ensure total transparency and consists of three Independent non-executive Directors. The Committee performs the task of review of internal audit reports, internal control systems from time to time and reviews the financial Statements every quarter before recommending the same to the Board of Directors.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Source Natural has prioritised human capital development and reinforcement of expertise across critical functions. The Company believes that a competent, motivated team and a nurturing work culture are critical for achieving long-term success. In FY 2024-25, notwithstanding the pandemic-led interruptions, the Company continued to have an 'employee first' strategy while synchronising HR processes to support the business. As a part of its strategy to build a contemporary organisation, the Company undertook organisational restructuring and layering to create a flatter organisation.

The Company strives to ensure the health and well-being of its employees through an array of initiatives. It took care of not only the physical well-being of the employees but also their mental well-being.

The Company has been continuously working on retaining the best talent in the industry, but it is a constant challenge to retain the good talent. The Company's human resource agenda focuses mainly on building a robust and diverse talent pipeline by hiring fresh management graduates to cater to various businesses and functions, enhancing individual and organisational capabilities for future readiness, driving greater employee engagement and strengthening employee relations.

The number of permanent employees of the Company as on 31st March 2025 were 40.

CAUTIONARY STATEMENT

Statements in this Integrated Annual Report, particularly those that relate to the Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

Place: Bangalore
Date: 30.08.2025

For and On Behalf of the Board

SD/- (Arvind Varchaswi N.) Managing Director DIN: 00143713	SD/- (Tejagna K Katpitia) Director DIN:00445283
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Annexure - 4

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo.

A. Conservation of Energy.

Growing cost of energy and its linkage with climate change impact is a major business concern. To tackle this issue, your company has decided to focus on improving process energy efficiency, find alternate sources.

To conserve and optimise the use of energy, the Company is planning to install energy efficient blowers, and other equipment in all its plants. Strict controls are exercised in operation of the plants for optimum usage of Power and Fuel.

The Company during the year continued the following energy conservation measures both at the manufacturing unit and at the offices of the Company.

Use of natural lighting whenever possible.

- i. Switching off machines / equipment when not in use and switching off lights in areas not having adequate activity by regrouping/repositioning the activity so that there will not be any wastage of energy due to lighting.
- ii. Switching off main machines and lights during lunch breaks.
- iii. Reduction of water consumption through re-uses
- iv. Creating awareness among employees about the necessity of energy conservation by celebrating energy conservation week.
- v. The information pertaining to conservation of energy is as follows:

1	The steps taken or impact on Conservation of energy	Your Company has made every endeavour to ensure optimal use of energy, avoid wastages and conserve energy as far as possible. Total power units consumed during the financial year 2024-25: : 1,46,966 KWH Electricity expenses: Rs. 19,76,855/- Fuel expenses on Diesel Generator Set: Rs.7,34,400/- Total quantity (in litres) of Diesel consumed during the financial year 2024-25: 1,444.21 Litres. Fuel Expenses on vehicles: Rs. 2,03,735/- Total Kilograms of briquettes for the Boilers consumed during the financial year 2024-25: 32,970 Kgs Briquettes Expenses: Rs.3,34,332/-
2	The steps taken by the company for utilizing alternate sources of energy	At planning levels.
3	The capital investment on energy conservation equipment's	Nil

The measures taken for conservation of energy has led to better pollution control, reduced the impact on environment, cost reduction, improved hygienic conditions and consistency in quality and improved productivity. During the year, there was no capital investment on energy conservation equipment.

B. TECHNOLOGY ABSORPTION.

The efforts made towards technology absorption and benefits derived like product improvement, cost reduction, product development, import substitution.

The products of the company have a high level of technology and require intensive technology these are being constantly updated. Technology Development Plans of the Company have resulted in reducing the cost of production and also provided flexibility in manufacturing.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO.

Foreign Exchange Earned: NIL

Foreign Exchange Outgo: NIL

Place: Bangalore
Date: 30.08.2025

For and On Behalf of the Board

SD/- (Arvind Varchaswi N.) Managing Director DIN: 00143713	SD/- (Tejagna K Katpitia) Director DIN:00445283
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Annexure - 5

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	NIL
	Nature of contracts/arrangements/transaction	
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	
	Justification for entering into such contracts or arrangements or transactions'	
	Date of approval by the Board	
	Amount paid as advances, if any	
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Striveda Sattva Private Limited (SSPL);
2	Nature of contracts/arrangements/transaction	Sale and purchase of goods and payment of royalty for licensing of trademark.
3	Duration of the contracts/arrangements/transaction	Yearly contract for sale and purchase of products, Five years agreement for trademark license.
4	Salient terms of the contracts or arrangements or transaction including the value, if any in Rs.	SSPL - Sale of Goods and rental charges -Rs 3,601.93 Lakhs Purchase of goods Rs 172.03 Lakhs Royalty paid – 13.38 Lakhs
5	Date of approval by the Board and Members	Board: 14-08-2024 and 13-02-2025 Members: 30-09-2024
6	Amount paid as advances, if any	Security deposit of Rs.500 Lakhs for trademark license

Place: Bangalore
Date: 30.08.2025

For and On Behalf of the Board
(Arvind Varchaswi N.) (Tejagna K Katpitia)
Managing Director Director
DIN: 00143713 DIN:00445283

INDEPENDENT AUDIT REPORT

To
The Members of Source Natural Foods and Herbal Supplements Limited
Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. SOURCE NATURAL FOODS AND HERBAL SUPPLEMENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

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 Accounting Standards prescribe under section 133 of the Act read with the Companies (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, the profit, 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 specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 provision of the Act and Rules made there under, 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 judgement, were of most significant in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In the audit of the current period, we do not have any key audit matters required to be reported separately.

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act 2013 with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in Section 133 of the Act read with Rules 7 of the Companies (Accounts) Rules 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and preventing and detecting frauds and other irregularities, selecting and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We also:

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

standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- e. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Matters

- a) Predecessor auditor to audit transition adjustments

The comparative financial information of the company for the transition date opening balance sheet as at 1st April 2015 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the opening balance sheet dated 27th May 2015 expressed an unmodified opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2025; and
- (b) In the case of the Statement of Profit and Loss, of the PROFIT for the year ended on that date and the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account and returns;

- d. in our opinion, the Financial Statements, comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules 2014:
- e. On the basis of written representations received from the directors as on 31st March, 2025, and 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 sub-section (2) of section 164 of the Act.
- f. With respect to the adequacy of the internal financial Controls over Financial reporting of the Company and the operating effectiveness of the controls, refer to separate report in Annexure A
- g. With respect to the other matters to be reported in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014 in our opinion and to the best of our information and according to explanation given to us.
 - i. The company has disclosed in its notes to accounts, the pending litigations and its effect on the financial position of the company and the financial statement.
 - ii. In our opinion, as required by law or under the accounting standards, there was no further material losses for which any provision was required and there were no long term contracts including derivative contracts for which any provision for losses was required.
 - iii. There were no monies that needed to be deposited in the Investor Education and Protection Fund of the Company

For Srinaga & Giridharan
Chartered Accountants
Firm No.004013S

S.R. SRINAGA | Partner
M. No. 022767
Place: Bengaluru
Dated: 29.05.2025
UDIN:25022767BMIEOV8100

SOURCE NATURAL FOODS AND HERBAL SUPPLIMENTS LIMITED

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

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

To
The Members of Source Natural Foods and Herbal Supplements Limited.

We have audited the internal financial controls over financial reporting of Source Natural Foods And Herbal Supplements Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls 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. 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 the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing as specified under section 143(1)) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit

of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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.

For Srinaga & Giridharan
Chartered Accountants
Firm No.004013S

S.R. SRINAGA | Partner
M. No. 022767
Place: Bengaluru
Dated: 29.05.2025
UDIN:25022767BMIEOV8100

ANNEXURE(B) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF M/S. SOURCE NATURAL FOODS AND HERBAL SUPPLEMENT LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2025.

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that:-

- 1.1.
 - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
 - b. The company is maintaining proper records showing full particulars of intangible assets.
 - i. The Property, Plant & Equipment have been physically verified by the management at reasonable intervals.
 - ii. The title deeds of immovable properties shown in the financial statements are held in the name of the company.
 - iii. The company has not revalued its Property, Plant & Equipment, or Intangible assets or both during the year.
 - iv. No proceedings have been initiated against the company for holding Benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, therefore no details of the same.
2.
 - i. Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedure by the management is appropriate. The aggregate of discrepancies of 10% or more in each class of inventory noticed have been properly dealt with in the books of account.
 - ii. The monthly statements filed by the company with banks/financial institutions are in agreement with the books of the company.
3.
 - i. The company has not made investments in, provided any guarantee or security granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLPs, or any other parties.
4. The company has not given any loans or guarantees/made any investments within the meaning of sections 185 & 186 of The Companies Act, 2013.
5. The company has not accepted any deposits from the public in terms of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products manufactured by the company.
7.
 - i. The company is regular in depositing undisputed statutory dues with appropriate authorities.
 - ii. According to records of the company, there are no statutory dues which have not been deposited on account of any dispute, except the following:

Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending	Amount paid under Protest
Commercial tax	CST Tax	5,09,309.00	FY 2012-13	Commercial Tax Telangana	NIL

8. There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;

9.
 - i. The company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders.
 - ii. The company has not been declared as a willful defaulter by any bank or financial institution or other lender.
 - iii. The term loans have been utilized for the purposes for which they were obtained.
 - iv. The funds raised on a short-term basis have not been utilized for long term purposes.
 - v. 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.
 - vi. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
10.
 - i. The company has not made any initial public offer during the year.
 - ii. The company has not made any preferential allotment or private placement of shares/debentures during the year.
11.
 - i. Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud by the company or on the company by its officers/employees have been noticed or reported during the course of our audit.
 - ii. 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 have been filed with the Central Government.
 - iii. We have considered whistle-blower complaints, if any, received during the year by the Company. There was none received during the year.
12. The transactions entered into with related parties are in compliance with section 177 & 188 of The Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
13.
 - i. The company has an internal audit system commensurate with the size and nature of its business.
 - ii. The reports of the Internal Auditors for the period under audit have been considered.
14. The company has not entered into any non-cash transactions with directors or persons connected with directors, during the year.
15.
 - i. The company is not required to be registered under section 45-IA of The Reserve Bank of India Act, 1934.
 - ii. The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
 - iii. The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
 - iv. No Company or any group company is as part of the CIC or there is a company which is part of any CIC. The company has not incurred cash losses during the Financial or in the immediately preceding financial year.
16. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
17. There has been no resignation of the statutory auditors during the year.
18. On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

19.

- i. In respect of other than ongoing projects, the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- ii. In respect of other than ongoing projects, the company has not transferred any amount remaining unspent under section (5) of section 135 of Companies Act to special account in compliance with provision of sub section (6) of section 135 of the said Act

20. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

21. The company is not a Nidhi Company; hence this clause is not applicable.

Other Regulatory Information

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:

- a. The company does not have any pending litigations which would impact its financial position cannot be quantified at this stage.
- b. The company does not have any long-term contracts requiring a provision for material foreseeable losses.
- c. The company does not have any amounts required to be transferred to the Investor Education and Protection Fund.
- d. The company has not advanced any funds to or in any other persons or entities, 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 other than those disclosed in the notes to accounts.

- e. The company has not received any funds from any persons or entities, 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts
- f. The company has not declared or paid any dividend during the year.

For Srinaga & Giridharan
Chartered Accountants
Firm No.004013S

S.R. SRINAGA | Partner
M. No. 022767
Place: Bengaluru
Dated: 29.05.2025
UDIN:25022767BMIEOV8100

Source Natural Foods and Herbal Supplements Ltd

No. 201, Second Floor, Sumeru Towers, #54/46, 39th A Cross, 11th Main Road, Jayanagar 4th T Block, Bangalore, Karnataka-560041

Balance Sheet

As at Year Ended 31st March, 2025

			₹ in lakhs
	Note	Year Ended 31st March, 2025	Year Ended 31st March, 2024
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	643.69	643.69
(b) Reserves and surplus	3	1592.04	1301.65
Non-current liabilities			
(a) Long-term borrowings	4		
(b) Deferred tax liabilities (Net)	4A	8.72	8.72
(c) Other Long term liabilities	5		
(d) Long-term provisions	6	48.25	48.37
Current liabilities			
(a) Short-term borrowings	7	741.06	123.63
(b) Trade payables	8	325.93	280.42
(c) Other current liabilities	9	158.28	1.21
(d) Short-term provisions	10	65.43	80.65
TOTAL EQUITY AND LIABILITIES		3583.40	2488.35
ASSETS			
Non-current assets			
(a) Property, plant and Equipment & Intangible assets			
(i) Property, Plant and Equipment	11	393.22	419.84
(ii) Intangible assets	11(a)	65.95	131.90
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments	12		
(c) Deferred tax assets (net)			
(d) Long-term loans and advances	13	506.80	6.60
(e) Other non-current assets	14		
Current assets			
(a) Current investments	15		
(b) Inventories	16	607.45	430.11
(c) Trade receivables	17	1223.81	750.83
(d) Cash and cash equivalents	18	722.60	709.49
(e) Short-term loans and advances	19	63.56	39.57
(f) Other current assets	20		
TOTAL ASSETS		3583.40	2488.35

Notes 1 to 27 form integral part of the Standalone Financial Statements

As per our report of even date attached

For **M/s Srinaga & Giridharan**

Chartered Accountants

For and on behalf of the Board of Directors

Source Natural Foods and Herbal Supplements Ltd

(CIN: L24231KA1995PLC101742)

S R Srinaga

Partner

Membership No.022767

Firm Registration No.004013S

Arvind Varchaswi N

Managing Director

DIN:00143713

Tejagna K Katpitia

Director

DIN:00445283

UDIN: 25022767BMIEOV8100

Place : Bangalore

Date : 29.05.2025

R. Ramachandra

Chief Financial Officer

Yash Jain

Company Secretary

Source Natural Foods and Herbal Supplements Ltd

No. 201, Second Floor, Sumeru Towers, #54/46, 39th A Cross, 11th Main Road, Jayanagar 4th T Block, Bangalore, Karnataka-560041

Statement of Profit and Loss

for the Year Ended 31st March, 2025

			₹ in lakhs
	Note	Year Ended 31st March, 2025	Year Ended 31st March, 2024
I Income			
Revenue from Operations		5007.07	2968.59
Less: GST		514.73	238.91
Revenue from operations	21	4492.34	2729.68
Other income	22	7.80	0.63
Total Income		4500.14	2730.31
II Expenses:			
Cost of Material Consumed	23	676.89	520.33
Purchases of Stock in Trade		2779.09	1295.94
Changes in Inventories	24	-109.17	-138.76
Employee benefits expense	25	327.18	287.69
Finance Cost	26	62.37	20.66
Depreciation and amortization expenses	11 & 11(a)	101.53	104.36
Other Expenses	27	303.94	317.27
Total expenses		4141.82	2407.50
III Profit before exceptional and extraordinary items and tax (III-IV)		358.32	322.81
IV Exceptional items			5.00
V Profit before extraordinary items and tax (V - VI)		358.32	317.81
VI Extraordinary items			
VII Profit before tax		358.32	317.81
VIII Tax expense:			
(i) Current tax		43.40	111.91
(ii) MAT Credit Entitlement			
(iii) Deferred tax			32.24
(iv) Provision of Tax of earlier years(Net)		24.52	
IX Profit for the year		290.40	173.65
X Earnings per equity share:			
Basic		4.51	2.70
Diluted		4.51	2.70

Notes 1 to 27 form integral part of the Standalone Financial Statements

As per our report of even date attached

For **M/s Srinaga & Girdharan**

Chartered Accountants

For and on behalf of the Board of Directors

Source Natural Foods and Herbal Supplements Ltd

(CIN: L24231KA1995PLC101742)

S R Srinaga

Partner.

Membership No. 022767

Firm Registration No.004013S

Arvind Varchaswi N

Managing Director

DIN:00143713

Tejagna K Katpitia

Director

DIN:00445283

UDIN: 25022767BMIEOV8100

Place : Bangalore

Date : 29.05.2025

R. Ramachandra

Chief Financial Officer

Yash Jain

Company Secretary

Source Natural Foods and Herbal Supplements Ltd

Segment -wise Revenue, Assets and Liabilities

For the Year Ended 31st March, 2025

Particulars	₹ in Lakhs	
	Year Ended	
	31.03.2025	31.03.2024
	Audited	Audited
1. Segment Revenue		
a) Ayurveda	3,865.27	2,968.59
b) Energy	1,141.80	0.00
c) Others		
Total	5,007.07	2,968.59
Gross Revenue from sale of products and services	5,007.07	2,968.59
2. Segment Results		
a) Ayurveda	417.12	447.83
b) Energy	105.10	0.00
c) Others		
EBITDA	522.22	447.83
Less : i) Finance costs	62.37	20.66
ii) Depreciation	101.53	104.36
iii) Exceptional items	0.00	5.00
Profit Before Tax	358.32	317.81
3. Segment Assets		
a) Ayurveda	3092.56	2,488.35
b) Energy	490.84	0.00
c) Others		
Total Assets	3583.40	2,488.35
4. Segment Liabilities		
a) Ayurveda	1091.54	543.01
b) Energy	406.12	0.00
c) Others		
Total Liabilities	1497.66	543.01

Source Natural Foods and Herbal Supplements Ltd

(CIN: L24231KA1995PLC101742)

No. 201, Second Floor, Sumeru Towers, #54/46, 39th A Cross, 11th Main Road, Jayanagar 4th T Block, Bangalore, Karnataka-560041

Statement of changes in equity

for the year ended 31st March 2025

A Equity share capital

(₹ in lakhs)

As at 31 March 2024	643.69
Changes in equity share capital during the year	
As at 1st April 2024	643.69
Changes in equity share capital during the period	
As at 31 March 2025	643.69

B Other equity

(₹ in lakhs)

	Reserves and Surplus					Total Equity
	Securities Premium	Retained Earnings	Capital Reserve	General Reserve	Loan from Promoter directors	
Balance as at 1 April 2024	114.09	1187.55				1301.65
Profit for the period		290.40				
Transferred to general reserve from Share options outstanding account						
Re-measurements of defined benefit plans-net(including tax impact thereof)						
Fair value adjustment relating to loan from promoter directors						
Balance as at 31 March 2025	114.09	1477.95				1592.04

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

As per our report of even date attached

For **M/s Srinaga & Giridharan**
Chartered Accountants

For and on behalf of the Board of Directors
Source Natural Foods and Herbal Supplements Ltd

S R Srinaga

Partner

Membership No.022767

Arvind Varchaswi N

Managing Director

DIN:00143713

Tejagna K Katpitia

Director

DIN:00445283

Firm Registration No.004013S

UDIN: 25022767BMIEOV8100

Place : Bangalore

Date: 29-05-2025

R. Ramachandra

Chief Financial Officer

Yash Jain

Company Secretary

Source Natural Foods and Herbal Supplements Ltd

No. 201, Second Floor, Sumeru Towers, #54/46, 39th A Cross, 11th Main Road, Jayanagar 4th T Block, Bangalore, Karnataka-560041

Statement of Cash Flows

for the Year Ended 31st March, 2025

	Year Ended 31st March, 2025	₹ in lakhs Year Ended 31st March, 2024
A Cash Flow from Operating Activities		
Profit before tax	358.32	317.81
Adjustment for:		
Depreciation and Amortisation Expenses	101.53	104.36
Income Tax Expenses	(67.92)	-111.91
Amortisation of Intangible Expenses		
Interest	62.37	19.36
Loss / (Profit) on Deletions of Fixed Assets		
Operating Profit/ (Loss) Before Working capital Changes	454.30	329.61
Inventories	(177.34)	-48.43
Trade Receivables	(472.97)	-10.03
Other Current Assets	0.00	0.00
Current Liabilities	202.57	-1.67
Cash from Operations	6.55	269.48
Deferred Revenue Expenses Incurred	0.00	0.00
Net Cash Flow From Operations (a)	6.55	269.48
B Cash flow from Investing Activities		
Purchase of Fixed Assets	(8.95)	0.00
Capital Work - in - Process	0.00	0.00
(Increase)/Decrease in Loans & Advances	(524.19)	29.35
Differed Tax Assets (Net)	0.00	0.00
Investment in Fixed Deposits	0.00	0.00
Net Cash used for Investing activities (b)	(533.15)	29.35
C Cash Flow from Financing Activities		
Share Application Money		
Loss on Capital Reduction		
Share Premium		
Divident Alloted	0.00	0.00
Long Term Provisions	(15.35)	17.34
Secured Loans	617.43	121.28
Interest	(62.37)	-19.36
Unsecured Loans		
Net Cash from Financing Activites (c)	539.71	119.26
Net Increase in cash and Cash Equivalues (a)+(b)+(c)	13.11	418.09
Cash and Cash Equivalents, beginning of the year	709.49	291.40
Cash and Cash Equivalents, end of the year	722.60	709.49
1. Cash & Cash Equivalents		
Cash on hand	0.12	.12
Balances with Schedule Banks in Current Account	722.48	709.37
Total	722.60	709.49

As per our report of even date attached

For **M/s Srinaga & Giridharan**

Chartered Accountants

For and on behalf of the Board of Directors

Source Natural Foods and Herbal Supplements Ltd

(CIN: L24231KA1995PLC101742)

S R Srinaga

Partner.

Membership No.022/6/

Firm Registration No.004013S

UDIN: 25022767BMIEOV8100

Place : Bangalore

Date : 29.05.2025

Arvind Varchaswi N

Managing Director

DIN:00143713

Tejagna K Katpitia

Director

DIN:00445283

R. Ramachandra

Chief Financial Officer

Yash Jain

Company Secretary

Source Natural Foods and Herbal Supplements Ltd

1. Significant accounting policies

a) Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from subsidiaries is recognized based on transaction price which is at arm's length. Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

Provision for breakage is recognized when the Company expects to be entitled to a breakage amount in a contract liability. The Company recognizes the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. If the Company does not expect to be entitled to a breakage amount, it recognizes the expected breakage amount as revenue when the likelihood of the customer exercising its remaining rights becomes remote.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts, etc. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period. The Company considers indicators such as how customer consumes benefits as services are rendered.

i. Revenue from products

Revenue from sale of products is recognized upon transfer of control to buyers (i.e. on delivery) and when no uncertainty exists regarding the amount of consideration that will be derived from sale of products and is recorded net of trade discounts and indirect tax (Goods and Services tax).

ii. Revenue from Sale of Services

Revenue from Sale of services is being recognized on percentage of work being completed., All expenses are being recognized on matching concept of the project work completed, which is in line with IND AS 115. Advance Received against the pending work of the Project is considered as Advance Revenue, the same is carried forward to the next Financial Year.

iii. Interest /Dividend income

Interest income or expense is accounted basis effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial assets, or the amortized cost of the financial liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit impaired, then the calculation of interest income reverts to the gross basis.

Source Natural Foods and Herbal Supplements Ltd

(b) Inventories

Raw materials, packing materials, stores, spares and consumables are valued at lower cost and net realisable value. However, these items are realisable at cost if the finished products in which they will be used are expected to be sold at or above cost.

Finished goods, stock-in-trade and work-in-progress are valued at lower of cost and net realisable value. Cost is ascertained on weighted average method and in case of finished products and work-in-progress, it includes appropriate production overheads and duties.

(c) Employee benefits

i. Short-term employee benefits

- i. All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia/ bonus are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii. Post-employment benefits

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Gratuity liability is covered by payment thereof to Gratuity fund. 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 recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

iv. Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates:

Source Natural Foods and Herbal Supplements Ltd

- a. when the Company can no longer withdraw the offer of those benefits; and
- b. when the entity recognises costs for a restructuring that is made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(d) Provisions

Provisions for legal claims, etc. are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

(e) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted as at the reporting date and applicable to the reporting period.

Current tax assets and liabilities are offset only if the Company:

1. has a legally enforceable right to set off the recognized amounts; and
2. intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company can control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. In case of tax losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets, unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Source Natural Foods and Herbal Supplements Ltd

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on

different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(f) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU on a pro rata basis.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

(g) Cash and cash equivalents

For presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within other current financial liabilities in the balance sheet.

(h) Financial instruments

Recognition and initial measurement Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the Management.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized in profit or loss.

Classification and subsequent measurement

i) Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement All financial assets are recognized initially at fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Source Natural Foods and Herbal Supplements Ltd

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

1. The rights to receive cash flows from the asset have expired, or
2. The Company has transferred its rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.
3. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
4. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

1. Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2. Others

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ii) Financial liabilities

Classification

Financial liabilities are classified as measured at amortised cost or fair value through profit and loss ('FVTPL'). A financial liability is classified as at FVTPL if it is classified as held – for - trading, or it is a derivative or it is designated as such on initial recognition.

Initial recognition and measurement

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

Financial liabilities are derecognized when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

Source Natural Foods and Herbal Supplements Ltd

(i) Property, plant and equipment

Items of property, plant and equipment are measured at historical cost, less accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the assets incurred up to the date the asset is ready for its intended use.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure 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 de-recognized when replaced. All other repairs and maintenance costs are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Asset	Life of Assets
Office equipment	1-5 Years
Plant and equipment	1-7 Years
Furniture and fixtures	1-9 Years
Leasehold improvements	9 years or lease period whichever is less

The useful lives have been determined based on technical evaluation done by the management's internal expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within Other income / Other expenses.

(j) Intangible assets

Intangible assets purchased are initially measured at cost. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Computer software - 3 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

For indefinite-life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues; if not, it is impaired or changed prospectively basis revised estimates.

Internally generated:

Research and development Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

Source Natural Foods and Herbal Supplements Ltd

(k) Trade and other payables

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

(l) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Earnings per share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the net profit/loss attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the fiscal year

(ii) Diluted earnings per share

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

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

(n) Statement of cash flows

The Company's statement of cash flows is prepared using the Indirect method, whereby profit for the period is adjusted for the effect of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(o) Segment Reporting:

During the year, company has started the new business operating segment of Energy business, the same is segregated from the Ayurveda Division, and Data is captured through New Segment of "Energy Segment". This complies the Compliance as per the Segmental requirements as per the Ind As.108.

Notes

forming part of the financial statements as and for the Year Ended 31st March, 2025

2 Share Capital

	₹ in lakhs			
	Year Ended 31st March, 2025		Year Ended 31st March, 2024	
	No of shares	Amount	No of shares	Amount
-Authorised				
90,00,000 Equity Shares of Rs 10/-each	90.00	900.00	90.00	900.00
-Issued, Subscribed and Fully Paid up and Subscribed but not Fully Paid up				
Equity Shares of Rs.10/- each issued	64.37	643.69	64.37	643.69
Equity Shares of Rs.10 each Subscribed but not Fully Paid up				
Equity Shares of Rs.10/- each Subscribed & Fully Paid up	64.37	643.69	64.37	643.69
TOTAL	64.37	643.69	64.37	643.69

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
No of Shares issued and fully paid up at the beginning of the year	64.37	64.37
No of Shares issued during the year and paid up		
No of Shares bough back during the year		
No of shares issued and fully paid up at the end of the year	64.37	64.37

Equity Shares held by each share holder in excess of 5% as on Balance sheet date

Name of the Share Holder	No. of Shares held		% of Holding	
	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024
	47.87	47.87	74.37%	74.37%
Shriveda Sattva Private Limited	47,86,891	47,86,891	74.37%	74.37%

Shares held by the Promoter at the end of the year

Name of the Promoter	No. of. Shares	% of Total Shares	% of change during the year
Shriveda Sattva Private Limited	47.87	74.37	Nil

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3 Reserves and Surplus

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Securities premium Account	114.09	114.09
Capital Reserves		
Retained earnings		
Balance at the beginning of the year	1187.55	1013.90
Profit for the year	290.40	173.65
Balance at the end of the year	1477.95	1187.55
Total	1592.04	1301.65

4 Long term borrowings

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Unsecured		
Unsecured loan from directors		
Term Loans from Banks	0.00	0.00
Term Loans from Other Parties		
Deposits		
Loans and advances from related parties		
Long term Maturities of Finance Lease Obligations		
Other Loans & Advances		
Total	0.00	0.00

4A Deferred Tax liabilities

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Deferred tax liability on Depreciation	8.72	9.30
Addition for the year	0.00	0.58
Deferred tax liability on MAT Tax paid		
Total	8.72	8.72

5 Other long term liabilities

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Trade Payables - MSME - Principle Amount payable		
Trade Payables - MSME - Interest Amount Payable		
Trade Payables		
a) MSME		
Less than 1 Year		
1 to 2 Years		
2 to 3 Years		
More than 3 Years		
Total	0.00	0.00

6 Long term provisions

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Provision for employee benefits	46.36	46.49
Others (specify nature)- Leave Encashment	1.88	1.88
Total	48.25	48.37

7 Short term borrowings

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Secured		
Bonds / Debentures - Current Maturities		
Term Loans from Banks - Current Maturities		
Term Loans from Other Parties - Current Maturities		
Deposits - Current Maturities		
Loans and advances from related parties		
Current maturities of Short term borrowings	741.06	123.63
Working Capital Loans from Banks		
Total	741.06	123.63

8 Trade payables

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Trade Payables - MSME - Principle Amount payable		
Trade Payables - MSME - Interest Amount Payable		
Trade Payables Less than 1 Year		
a) MSME	61.92	201.31
b) Others	264.00	79.11
c) Disputed Dues - MSME		
d) Disputed Dues - Others		
Other Payables - Less than 1 year		
Un billed Dues		
Total	325.93	280.42

9 Other current liabilities

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Statutory Liabilities		
Provision for income tax (FY-2021-22)		
Income received in advance;		
Sri Sri Ayurveda trust		
Share application Money pending Allotment - in excess of Authorised Capital		
Calls in Advance		
Unpaid Dividends	1.14	1.14
Other Payables	157.14	0.07
Total	158.28	1.21

10 Short term provisions

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Provision for Income Tax	-22.76	51.91
Provision for employee benefits.	64.42	11.63
Others (specify nature).	23.77	17.10
Total	65.43	80.65

11 Property, plant and equipment

	Land	Factory building	Plant and equipment	Vehicles	Furniture and fixtures	Office equipment	Others	Total
Year ended 31st March, 2023								
Opening gross carrying amount	5.05	418.71	421.95	56.31	38.28	15.94	26.77	982.99
Additions during the year								
Disposals during the year								
Closing gross carrying amount	5.05	418.71	421.95	56.31	38.28	15.94	26.77	982.99
Accumulated depreciation								
Opening accumulated depreciation	0.00	150.81	263.21	41.89	29.98	14.84	24.00	524.74
Depreciation/Amortization charge for the year	0.00	13.26	16.67	5.41	1.27	0.16	1.64	38.41
Impairment charge for the year								
On disposals during the year								
Closing accumulated depreciation	0.00	164.07	279.89	47.30	31.25	15.01	25.64	563.15
Net carrying amount as at 31st March, 2024	5.05	254.63	142.06	9.00	7.03	0.94	1.13	419.84
Year ended 31st March, 2024								
Opening gross carrying amount	5.05	418.71	421.95	56.31	38.28	15.94	26.77	982.99
Additions during the year		4.20	0.66		0.64	0.24	3.22	8.95
Disposals during the year								0.00
Closing gross carrying amount	5.05	422.91	422.60	56.31	38.92	16.18	29.99	991.95
Accumulated depreciation								
Opening accumulated depreciation	0.00	164.07	279.89	47.30	31.25	15.01	25.64	563.15
Depreciation/Amortization charge for the year	0.00	13.28	16.70	3.96	1.23	0.15	0.26	35.58
Impairment charge for the year								
On disposals during the year								
Closing accumulated depreciation	0.00	177.35	296.58	51.26	32.48	15.16	25.90	598.73
Net carrying amount as at 31st March, 2025	5.05	245.55	126.02	5.04	6.44	1.02	4.09	393.22

11(a) Intangible assets

	Goodwill	Def.Rev.Exp	Total
Year ended 31st March, 2023			
Opening gross carrying amount	0.00	197.85	197.85
Additions during the year			0.00
Disposals during the year			0.00
Closing gross carrying amount	0.00	197.85	197.85
Accumulated depreciation			
Opening accumulated amortisation			0.00
Amortisation charge for the year		65.95	65.95
Impairment charge for the year			0.00
On disposals during the year			0.00
Closing accumulated amortisation	0.00	65.95	65.95
Net carrying amount as at 31st March, 2024	0.00	131.90	131.90
Year ended 31st March, 2024			
Opening gross carrying amount	0.00	131.90	131.90
Additions during the year			0.00
Disposals during the year			0.00
Closing gross carrying amount	0.00	131.90	131.90
Accumulated amortisation			
Opening accumulated amortisation			0.00
Amortisation charge for the year		65.95	65.95
Impairment charge for the year			0.00
On disposals during the year			0.00
Closing accumulated amortisation	0.00	65.95	65.95
Net carrying amount as at 31st March, 2025	0.00	65.95	65.95

12 Non current investments

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
A) Trade Investments		
B) Non Trade Investments		
Investment in Property		
Investment in Equity		
Investment in Partnership Firms		
Investment in Subsidiaries		
Application money paid but securities not allotted		
Other non-current investments (specify nature)		
Total	0.00	0.00

13 Long term loans and advances

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
a) Secured		
Capital Advances		
Loans & Advances to Related Parties		
Others		
b) Unsecured		
Capital Advances		
Loans & Advances to Related Parties		
Others	506.80	6.60
Total	506.80	6.60

14 Other non current assets

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
a) Long Term Trade Receivables		
Secured and considered good		
Unsecured and considered good		
Doubtful		
Allowance for bad and doubtful debts		
Total	0.00	0.00

15 Current Investments

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
a) Trade Investments		
b) Non Trade Investments		
Investment in Property		
Investment in Equity		
Investment in Partnership Firms		
Investment in Subsidiaries		
Application money paid but securities not allotted		
Other current investments (specify nature)		
Total	0.00	0.00

16 Inventory

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Raw Materials	220.62	152.45
Work in Progress	262.69	214.36
Finished Goods	65.04	53.52
Stock in Trade (goods acquired for Trade)	59.10	9.78
Stores & Spares		
Loose Tools		
Others		
Total	607.45	430.11

17 Trade receivables

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
a) Considered good-Secured		
- Less than 6 months	1223.81	750.83
- 6 months to 1 Year		
- 1 Year to 2 Years		
- 2 Year to 3 Years		
- More than 3 years		
Total	1223.81	750.83

18 Cash and bank balances

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
A) Cash and Cash Equivalents		
Cash on Hand	0.12	0.12
Balance with Banks		
-In Current Accounts	492.18	702.86
B) Other Bank Balances		
- Earmarked Balances with Banks		
- Margin Money or Security against borrowings/guarantees		
- Repatriation restrictions		
- Deposits with Maturity more than 12 months	230.30	6.51
Total	722.60	709.49

19 Short term loans and advances

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
A) Secured		
Capital Advances		
Loans & Advances to Related Parties		
Others		
B) Unsecured		
Capital Advances		
Loans & Advances to Related Parties		
Others	63.56	39.57
TDS Receivables		
Total	63.56	39.57

20 Other current assets

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
	0.00	0.00
TOTAL	0.00	0.00

21 Revenue from Operations

	₹ in lakhs	
	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Indigenous Sales		
Revenue from Operations	5007.07	2968.59
Less: GST	514.73	238.91
Net Revenue	4492.34	2729.68
Sale of Products	3506.27	2704.95
Sale of Services (The sales is reduced to the extent of the unfinished contract work)	985.53	21.20
Export Sales		
Sale of Products		
Sale of Services	0.00	3.48
Other Operating Revenues	0.55	0.05
Total	4492.34	2729.68

22 Other Income

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Interest Income	5.70	0.63
Other Non-Operating Income	2.10	0.00
Total	7.80	0.63

23 Cost of materials consumed

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Op. Balance of Raw materials & Packing Materials	152.45	242.78
Add : Purchases during the year	745.06	430.01
Less : Closing Stock of Raw Materials & Packing Materials	220.62	152.45
Total	676.89	520.33

24 Change in inventories

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Opening stock :		
- WIP	214.36	86.51
- Finished Goods	53.52	47.19
- Stock in Trade	9.78	5.21
Total	277.66	138.90
Closing Stock :		
- WIP	262.69	214.36
- Finished Goods	65.04	53.52
- Stock in Trade	59.10	9.78
Total	386.83	277.66
Total	-109.17	-138.76

25 Employee benefits expenses

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Salaries, Wages, Bonus etc.	316.70	283.91
Contribution to PF, ESI & other Funds	8.25	1.47
Employee Stock Option Plan / Employee Stock Option Scheme		
Workmen and Staff Welfare Expenses	2.22	2.31
Total	327.18	287.69

26 Finance Costs

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Interest	52.32	19.36
Other Borrowing Costs	10.06	1.30
Net Gain / Loss on Foreign currency Transactions		
Total	62.37	20.66

27 Other expenses

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Repairs & Maintenance		
Vehicles	3.41	4.61
Office	0.60	0.28
Buildings	3.35	0.59
Electrical	2.74	3.73
Advertisement Charges	1.33	25.44
Bank Charges	0.11	0.21
Factory General Expenses(Consumables and laundry etc)	14.22	13.38
General Expenses(Rent and Electricity Charges)	13.98	13.38
Insurance	2.52	2.96
Job Work Charges	18.19	10.79
Postage, Telephone, Fax & Internet charges	3.44	5.02
Power & Fuel	25.15	26.06
Printing & Stationery	1.98	3.39
Professional Charges	25.86	20.85
Rates & Taxes	32.05	22.18
Selling & Distribution Expeenses	0.69	0.55
Service Charges(Freight, Security & Hamali Charges)	22.14	23.47
Sub Contract charges(Workers wages)	117.86	107.94
Subscription & Membership Fees	0.00	0.02
Testing & Weighment charges	8.18	27.42
Travelling & Conveyance	2.63	2.00
Auditor's remuneration:		
for audit fees	2.00	1.50
for taxation matters	1.50	1.50
Total	303.94	317.27

28 Related Party Disclosure

I. Name of related parties and nature of relationships:

Relationships	Country of Incorporation	Ownership interest held by the company		Ownership interest held by the non controlling interest	
		Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2025	Year Ended 31st March, 2024
a) Holding company					
Sriveda Sattva Pvt Ltd	India	74.37	74.37	25.63	25.63
a) Key Management Personnel(KMP)	NA	NA	NA	NA	NA

II. Transactions carried out with related parties referred to in I(a) to I(b) above

Nature of transaction	Key Management Personnel (KMP)	Enterprise over which KMP or their relative have significant influence	Holding Company	Key Management Personnel (KMP)	Enterprise over which KMP or their relative have significant influence	Holding Company
	Year Ended 31st March, 2025	Year Ended 31st March, 2025	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2024
Sale of Goods						
Sriveda Sattva Pvt Ltd	0.00	3601.93		0.00	2533.95	
Hyenr Private Limited	0.00	11.31		0.00	0.00	
Purchase of Goods						
Sriveda Sattva Pvt Ltd	0.00	172.03		0.00	164.99	
Investments						
Sriveda Sattva Pvt Ltd	0.00	500.00		0.00	.00	

29 Details of Remuneration to KMP

Information required under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1 Percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 24-25 is as follows: (₹ in Lakhs)

		Remuneration		Increase/Decrease
Name	Designation	2024-25	2023-24	
Mr Arvind Varchaswi N	Managing Director	12.22	12.22	0%
Mr Tejagna K Katpitia	Whole time Director	0.00	0.00	NA
Mr R Ramachandra	Chief financial officer (from 19.12.2022)	43.41	39.16	11%
Mr.Yash Jain	Company Secretary (from 02.09.2024)	5.45	.00	NA

2 Percentage increase/decrease in the median remuneration of all employees in the financial year: NA

3 Number of permanent employees on the rolls of the Company: 40

4 Average percentage increase already made in the remuneration of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

	Increase/Decrease
Average percentage increase in the remuneration of all employees (Other than managerial personnel)	
Average percentage increase in the managerial remuneration.	Directors of the Company for the financial year ended March 31, 2024 and March 31, 2025. Hence, this rider is not applicable

5 Affirmation

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company.

30. Additional regulatory information required by Schedule II

i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) Borrowing secured against current assets

The Company has sanctioned limit against overdraft facility, letter of credit and bank guarantee but the same has not been utilized during the year. No security has been provided against these limits. No disclosure required against the sanctioned limits.

iii) Wilful defaulter

Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act 1956 during the financial year 2024- 25

v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013

vi) Compliance with approved scheme(s) of arrangements

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

vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account

ix) Details of crypto currency or virtual currencyThe Company has not traded or invested in crypto currency or virtual currency during the current or previous year

x) Revaluation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year

31 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

A reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share is as follows:

	As at 31 March 2025	As at 31 March 2024
(a) Basic earnings per share		
Basic earnings per share attributable to the equity share holders of the company (in ₹)	4.51	2.70
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity share holders of the company (in ₹)	4.51	2.70
(c) Earnings/loss used in calculating per share		
Diluted earnings per share attributable to the equity share holders of the company (in ₹)		
For basic	0.00	0.00
For diluted		
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares in calculating basic earnings per share	64,36,931	64,36,931
Impact of Share Options* - Anti dilutive		
Weighted average number of equity shares and potential equity shares in calculating diluted earnings per share		

32 Ratios

Particulars	Numerator/Denominator	Current Period	Previous Period	% Change	Remarks for change above 25 percent
Current Ratio	Current Assets Current Liabilities	2.03	3.97	-49%	Change in Business model
Debt – Equity Ratio	Total Debt Total Equity	33%	6%	422%	Change in Business model
Debt Service Coverage Ratio	Earnings before interest,tax and exceptional items Interest Expense + Principal Repayments made during the period for long term loans including lease liabilities	9.98	22.87	-56%	Change in Business model
Return on Equity (ROE)	Profit after Tax (Attributable to Owners) Average net worth	14%	10%	33%	Change in Taxation
Inventory Turnover Ratio	Cost of goods Sold (or) Sales Average inventories of finished goods, stock in process and stock in trade	6.45	4.13	56%	Change in Business model
Trade receivables turnover ratio	Revenue from Operations(including GST) Average Trade Receivables	4.55	3.66	24%	NA
Trade payables turnover ratio	Cost of materials consumed (after adjustment of RM inventory)+Purchase of stock in trade other expenses Average trade payables	2.46	1.74	41%	Change in Business model
Net capital turnover ratio	Revenue from Operations(including GST) Net worth	3.24	2.11	54%	Change in Business model
Net profit ratio	Profit after Tax Revenue from Operations(including GST)	6.46%	6.36%	1.61%	NA
Return on capital employed (ROCE)	Net profit after tax deferred tax expense/Income+finance cost-other income-share of profit/loss of associates and joint ventures Average capital employed	13.3%	14.9%	-10.4%	NA
Return on investment	Income from investments		-	-	

33 Defined benefit plan:

Gratuity

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

As at 31 March 2024	46.49
Total amount recognised in profit or loss	-.13
As at 31 March 2025	46.36

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

As per our report of even date attached
For **M/s Srinaga & Giridharan**
Chartered Accountants

For and on behalf of the Board of Directors
Source Natural Foods and Herbal Supplements
(CIN: L24231KA1995PLC101742)

S R Srinaga
Partner
Membership No.022767

Arvind Varchaswi N
Managing Director
DIN:00143713

Tejagna K Katpitia
Director
DIN:00445283

Firm Registration No.004013S
UDIN: 25022767BMIEOV8100
Place : Bangalore
Date: 29-05-2025

R. Ramachandra
Chief Financial Officer

Yash Jain
Company Secretary





Source Natural Foods and Herbal Supplements Limited

201, II Floor, Sumeru Towers, #54/46, 39th A Cross,
11th Main Road, Jayanagar 4th T Block, Bangalore-560 041, Karnataka, India.

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