

Extract of Auditor's Report (Standalone)

[Pursuant to Section 143(2) of the Companies Act, 2013 read with Rule 12 of the Companies (Accounts) Rules, 2014 and Rule 11 of the Companies (Audit and Auditors) Rules, 2014]



Form language

English Hindi

Refer instruction kit for filing the form

All fields marked in * are mandatory

*Name of the company

VNF FARMER PRODUCER COMPANY LIMITED

1 Report of the auditor

(a) *Opinion of the auditor

We have audited the accompanying financial statements of VNF FARMER PRODUCER COMPANY LIMITED, which comprise the Balance Sheet as at March 31, 2025 and the Statement of Profit and Loss for the period then ended and notes to the financial statements, including 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 (Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its Loss for the period ended on that date.

(b) *Basis of Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(c) *Emphasis of matter

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(d) *Key audit matters

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

as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company

(e) *Other information (if any)

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditors 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.

Auditor's remarks

2 Number of qualifications, reservation or adverse remark or disclaimer

S. No.	Type of remark	Auditor's comments based on the remark

Management responsibility

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

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; Information other than the financial statements and auditors report thereon making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor responsibility

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also: Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. Conclude on the appropriateness of managements 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 Companys ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors report. However, future events or conditions may cause the Company to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors 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.

Other details

5 (a) *State other matters as per Rule 11 of Companies (Audit and Auditors) Rules, 2014.

With respect to the other matters to be included 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 the explanations given to us, since the Companys turnover as per the last audited financial statements is less than 50 Crores and its borrowings from banks and financial institutions at any time during the year are less than 25 Crores, the Company is exempt from obtaining an audit opinion with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, vide notification dated June 13, 2017. 1) The Company has disclosed details regarding pending litigations in Note 28 of the financial statements, which would impact its financial position. 2) The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses. 3) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company. 4) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed

in the notes to the accounts, no funds have been advanced, loaned, or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries. (ii) The management has further represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries. (iii) Based on the audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) contain any material misstatement. 5) The Company has not declared or paid any dividend during the year in contravention of the provisions of Section 123 of the Companies Act, 2013. (h) With respect to the matter to be included in the Auditors Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by Section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.

5 (b) State any other matters, if any

There are no matters to be emphasized in our report.

6 (a) *Report on Other Legal and Regulatory requirements

As required by the Companies (Auditors Report) Order, 2020 (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 Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. 2. As required by Section 143(3) of the Act, we report that: (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account. (d) In our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025, from being appointed as a director in terms of Section 164(2) of the Act. (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, the Company is exempt from obtaining an audit opinion on internal financial controls. (g) With respect to the other matters to be included 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 the explanations given to us, since the Company's turnover as per the last audited financial statements is less than 50 Crores and its borrowings from banks and financial institutions at any time during the year are less than 25 Crores, the Company is exempt from obtaining an audit opinion with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, vide notification dated June 13, 2017. 1) The Company has disclosed details regarding pending litigations in Note 28 of the financial statements, which would impact its financial position. 2) The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses. 3) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company. 4) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced, loaned, or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries. (ii) The management has further represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security, or the like on behalf of the

Ultimate Beneficiaries. (iii) Based on the audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) contain any material misstatement. 5) The Company has not declared or paid any dividend during the year in contravention of the provisions of Section 123 of the Companies Act, 2013. (h) With respect to the matter to be included in the Auditors Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by Section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.

6 (b) *Whether companies auditors report order(CARO) is applicable on company

Yes No

(c) Auditors' comment on the items specified under Companies (Auditors' Report) Order (CARO)

Particulars	Auditor's comments on the report	Details on the comments provided
Property Plant and Equipment and Intangible Assets	Clause not applicable	
Inventories	Clause not applicable	
Loans given by the company	Clause not applicable	
Loan to Directors and Investment by the Company	Clause not applicable	
Acceptance of Public Deposits	Clause not applicable	
Maintenance of Cost records	Clause not applicable	
Statutory dues	Clause not applicable	
Term loans	Clause not applicable	
The utilization of funds	Clause not applicable	
Fraud noticed	Clause not applicable	
Disclosure of unrecorded Income	Clause not applicable	
Nidhi Company	Clause not applicable	
Related Party Transactions	Favourable Remark	
Private placement of Preferential Issues	Clause not applicable	
Non-Cash Transactions	Clause not applicable	
Registration under RBI Act	Clause not applicable	
Internal audit	Clause not applicable	
Cash losses	Clause not applicable	

Resignation of the statutory auditors	Clause not applicable	
Material uncertainty	Clause not applicable	
Transfer of unspent CSR amount to Fund specified in Schedule VII/ special account	Clause not applicable	

(d) *Reporting on the Internal Financial Controls

With reference to the reporting under section 143(3)(i) of the Act on internal financial controls over financial reporting, the same is not applicable to the Company in terms of the notification of Ministry of Corporate Affairs dated 13th June, 2017, read with the relevant provisions of the Act. Accordingly, we are not required to report on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.

Attachments

(a) Optional attachment(s) - if any

Audit Report.pdf

Declaration by director

I am authorised to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

I also declare that the information stated in this form is in line with the Auditor's Report attached with form AOC-4.

* To be digitally signed by

*Name

NAYAN SHARAD INGALE

*Designation (Director/Liquidator/Interim Resolution Professional (IRP)/ Resolution Professional (RP))

Director

*Director identification number of the director or PAN of the Interim Resolution Professional (IRP)/ Resolution Professional (RP)/ Liquidator

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Note: Attention is drawn to provisions of Section 448 and 449 of the Companies Act, 2013 which provide for punishment for false statement / certificate and punishment for false evidence respectively.