

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended: **March 31, 2015**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number **000-54030**



**NaturalShrimp Incorporated**

(Exact name of registrant as specified in its charter)

Nevada  
State or other jurisdiction  
of incorporation or organization

74-3262176  
(I.R.S. Employer  
Identification No.)

2068 North Valley Mills Road  
Waco, TX 76710

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (646) 653-1910

N/A

(Former Name or Former Address, if Changed Since Last Report)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of each exchange on which registered
<u>None</u>	<u>N/A</u>

Securities registered pursuant to section 12(g) of the Act:

Shares of common stock with a par value of \$0.0001  
(Title of class)

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Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]  
Non-accelerated filer [ ]  
(Do not check if a smaller reporting company)

Accelerated filer [ ]  
Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes [ ] No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$1,737,299

#### APPLICABLE ONLY TO CORPORATE REGISTRANTS

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: 88,394,663 shares of common stock as of July 22, 2015.

#### DOCUMENTS INCORPORATED BY REFERENCE

None.

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## PART I

### ITEM 1. BUSINESS

#### *Forward-Looking Statements*

This report contains forward-looking statements. Forward-looking statements are projections in respect of future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of these terms or other comparable terminology. Forward-looking statements made in an annual report on Form 10-K includes statements about:

- our ability to successfully commercialize our shrimp farming operations to produce a market-ready product in a timely manner and in enough quantity;
- absence of contracts with customers or suppliers;
- our ability to maintain and develop relationships with customers and suppliers;
- our ability to successfully integrate acquired businesses or new brands;
- the impact of competitive products and pricing;
- supply constraints or difficulties; and
- the retention and availability of key personnel.

These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled “Risk Factors” set forth in this Annual Report on Form 10-K for the year ended March 31, 2015, any of which may cause our company’s or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These risks include, by way of example and not in limitation:

- general economic and business conditions;
- substantial doubt about our ability to continue as a going concern;
- our need to raise additional funds in the future;
- our ability to successfully recruit and retain qualified personnel in order to continue our operations;
- our ability to successfully implement our business plan;
- our ability to successfully acquire, develop or commercialize new products and equipment;
- the commercial success of our products;
- intellectual property claims brought by third parties;
- the impact of any industry regulation; and
- other factors discussed under the section entitled “Risk Factors” set forth in this Annual Report on Form 10-K for the year ended March 31, 2015.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity or performance. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

#### **Corporate Overview**

We were incorporated in the State of Nevada on July 3, 2008 under the name “Multiplayer Online Dragon, Inc.” Effective November 5, 2010, we effected an 8 for 1 forward stock split, increasing the issued and outstanding shares of our common stock from 12,000,000 shares to 96,000,000 shares. Effective October 29, 2014, we effected a 1 for 10 reverse stock split, decreasing the issued and outstanding shares of our common stock from 97,000,000 to 9,700,000.

On November 26, 2014, we entered into an Asset Purchase Agreement (the “Agreement”) with NaturalShrimp Holdings, Inc. a Delaware corporation (“NSH”), pursuant to which we agreed to acquire substantially all of the assets of NSH which assets consisted primarily of all of the issued and outstanding shares of capital stock of NaturalShrimp Corporation (“NSC”), a Delaware corporation, and NaturalShrimp Global, Inc. (“NS Global”), a Delaware corporation, and certain real property located outside of San Antonio, Texas (the “Assets”).

On January 30, 2015, we consummated the acquisition of the Assets pursuant to the Agreement. In accordance with the terms of the Agreement, we issued 75,520,240 shares of our common stock to NSH as consideration for the Assets. As a result of the transaction, NSH acquired 88.62% of our issued and outstanding shares of common stock, NSC and NS Global became our wholly-owned subsidiaries, and we changed our principal business to a global shrimp farming company.

In connection with our receipt of approval from the Financial Industry Regulatory Authority (“FINRA”), effective March 3, 2015, we amended our Articles of Incorporation to change our name to “NaturalShrimp Incorporated”.

We now have two wholly owned subsidiaries - NaturalShrimp Corporation and NaturalShrimp Global.

NaturalShrimp Corporation (NSC) was incorporated on August 12, 2005 under the laws of the State of Delaware and is a wholly-owned subsidiary of the Company. NSC merged with NaturalShrimp Corporation (a Texas corporation) on September 6, 2005 pursuant to an Agreement and Plan of Merger (NSC Agreement). Under the NSC Agreement, common stock changed from no par value to \$0.01 par value and the number of shares authorized for issuance decreased to 1,000 shares. On March 24, 2008, NSC merged with NaturalShrimp San Antonio, L.P (NSSA) (a Texas limited partnership) pursuant to an Agreement and Plan of Merger (NSSA Agreement). NSC continued to exist as the surviving corporation. NSC is an agro-tech company that grows and sells shrimp in an indoor controlled production facility.

NaturalShrimp Global (NSG), formerly NaturalShrimp International, Inc., was incorporated on August 12, 2005, under the laws of the State of Delaware and is a wholly-owned subsidiary of the Company. NSG merged with NaturalShrimp International, Inc. (a Texas Corporation incorporated November 12, 1999, as Quantum Access Corporation) pursuant to an Agreement and Plan of Merger (NSG Agreement) dated September 6, 2005. Under the NSG Agreement, common stock changed from no par value to \$0.01 par value and the number of shares authorized for issuance decreased to 1,000 shares. NSG continued to exist as the surviving corporation. NSG was created for the purpose of establishing and maintaining all of the Company’s international joint ventures.

As used in this Annual Report on Form 10-K and unless otherwise indicated, the terms “we”, “us”, “our”, or the “Company” refer to NaturalShrimp Incorporated and its wholly-owned subsidiaries. Unless otherwise specified, all dollar amounts are expressed in United States dollars.

### **Business Description**

NaturalShrimp Incorporated is a global shrimp farming company that has developed a technology to produce shrimp in an indoor, re-circulating, saltwater facility. Our eco-friendly, bio-secure design does not rely on ocean water; it recreates the natural ocean environment allowing for high-density production which can be replicated anywhere in the world.

Our self-contained shrimp aquaculture system allows for the production of Pacific White (*Litopenaeus vannamei*, formerly *Penaeus vannamei*) shrimp in an ecologically controlled fully contained and independent production system without the use of antibiotics or toxic chemicals.

The Company has developed several proprietary technology assets, including a knowledge base that allows the production of commercial quantities of shrimp in a closed system with a computer monitoring system that automates, monitors and maintains proper levels of oxygen, salinity and temperature for optimal shrimp production.

Our research and development facilities are located outside of San Antonio, Texas, and we hold a minority interest in a Norwegian company that owns and operates a similar shrimp production facility in Medina del Campo, Spain.

## Technology

### *Intensive, Indoor, Closed-System Shrimp Production Technology*

Historically, efforts to raise shrimp in a high-density, closed system at the commercial level have been met with either modest success or outright failure through “BioFloc Technology”. Infectious agents such as parasites, bacteria and viruses are the most damaging and most difficult to control. Bacterial infection can in some cases be combated through the use of antibiotics (although not always), and in general the use of antibiotics is considered undesirable and counter to “green” cultivation practices. Viruses can be even worse in that they are immune to antibiotics. Once introduced to a shrimp population, viruses can wipe out entire farms and shrimp populations, even with intense probiotic applications.

Our primary solution against infectious agents is our “Vibrio Suppression Technology”. We believe this system creates higher sustainable densities, consistent production, improved growth and survival rates and improved food conversion without the use of antibiotics, probiotics or unhealthy anti-microbial chemicals. Vibrio Suppression Technology helps to exclude and suppress harmful organisms that usually destroy “BioFloc” and other enclosed technologies.

### *Automated Monitoring and Control System*

The Company’s “Automated Monitoring and Control System” uses individual tank monitors to automatically control the feeding, oxygenation, and temperature of each of the facility tanks independently. In addition, a facility computer running custom software communicates with each of the controllers and performs additional data acquisition functions that can report back to a supervisory computer from anywhere in the world. These computer automated water controls optimize the growing conditions for the shrimp as they mature to harvest size, providing a disease-resistant production environment.

The principle theories behind the the Company’s system are characterized as:

- High-density shrimp production
- Weekly production
- Natural ecology system
- Regional production
- Regional distribution

These principles form the foundation for the Company and our potential distributors so that consumers can be provided with continuous volumes of live and fresh shrimp at competitive prices.

## Research and Development

In 2001, the Company began research and development (R&D) of a high density, natural aquaculture system that is not dependent on ocean water to provide quality, fresh shrimp every week, fifty-two weeks a year. The initial NaturalShrimp system was successful but the Company determined that it would not be economically feasible due to high operating costs. Over the next several years, using the knowledge we gained from the first R&D system, we developed a shrimp production system that eliminated the high costs associated with the previous system. We have continued to refine this technology, eliminating bacterial and other problems that affect enclosed systems and now have a successful shrimp growing process.

We have produced thousands of pounds of shrimp over the last few years in order to develop a design that will consistently produce quality shrimp that grow to a large size at a specific rate of growth. This included experimenting with various types of natural live and synthesized feed supplies before selecting the most appropriate nutritious and reliable combination. It also included utilizing monitoring and control automation equipment to minimize labor costs and to provide the necessary oversight for proper regulation of the shrimp environment.

After the implementation of the first R&D facility in La Coste, Texas, the Company has also made significant improvements that minimize the transfer of shrimp, which will reduce shrimp stress and labor costs. Our current system consists of a reception tank where the shrimp are acclimated, then moved to a larger grow-out tank for the rest of the twenty-week cycle.

## **Target Markets and Sales Price**

The target market for our product is to establish production systems and distribution centers in metropolitan areas of the United States, as well as international distribution networks through joint venture partnerships throughout the world. This should allow the Company to capture a significant portion of world shrimp sales by offering locally grown, environmentally “green”, naturally grown, fresh shrimp at competitive wholesale prices.

The United States population is approximately 313 million people with an annual shrimp consumption of 1.7 billion pounds of which less than 400 million pounds are domestically produced. According to IndexMundi.com, the wholesale price for frozen, commodity grade shrimp has risen 15% since January 2015 (shell-on headless, 26-30 count; which is comparable to our target growth size). With world shrimp problems, this price is expected to rise more in the next few years.

Additionally, from 2011 to 2013, we had two successful North Texas test markets that distributed fresh product to customers within 24 hours following harvest. The fresh product was priced from \$8.40 to \$12.00 per pound wholesale, heads on, net price to the Company.

We strive to build a profitable global shrimp production company. We believe our foundational advantage is that we can deliver fresh, organically grown, gourmet-grade shrimp, 52 weeks a year to retail and wholesale buyers in major market areas at competitive, yet premium prices. By locating regional production and distribution centers in close proximity to consumer demand, we can provide a fresh product to customers within 24 hours after harvest, which is unique in the shrimp industry. We can be the “first to market” and perhaps “sole weekly provider” of fresh shrimp and capture as much market share as production capacity can support.

For those customers that want a frozen product, we will be able to provide this in the near future and the product will still be differentiated as a “naturally grown, sustainable seafood” that will meet the increasing demand of socially conscious consumers.

Our proprietary technology and eco-friendly, bio-secure production processes enable the delivery of a chemical and antibiotic free, locally grown product that lives up to the Company’s mantra: “Always Fresh – Always Natural,” thereby solving the issue of “unsafe” imported seafood.

## **Product Description**

Nearly all of the shrimp consumed today are shipped frozen. Shrimp are typically frozen from six to twenty-four months before consumption. Our system is designed to harvest a different tank each week, which provides for fresh shrimp throughout the year. We strive to create a niche market of “Always Fresh, Never Frozen” shrimp. As opposed to many of the foreign shrimp farms, we can also claim that our product is 100% free of antibiotics. The ability to grow shrimp locally, year round allows us to provide this high-end product to specialty grocery stores and upscale restaurants throughout the world. We rotate the stocking and harvesting of our tanks each week, which allows for weekly shrimp harvests. Our product is free of all pollutants and is fed only all natural feeds.

The seafood industry lacks a consistent “Source Verification” method to track seafood products as they move through countries and customs procedures. With worldwide overfishing leading to declining shrimp freshness and sustainability around the world, it is vital for shrimp providers to be able to realistically identify the source of their product. We have well-managed, sustainable facilities that are able to track shrimp from hatchery to plate using environmentally responsible methods.

## **Shrimp Growth Period**

Our production system is designed to produce shrimp at a harvest size of eighteen to twenty-two shrimp per pound in a period of twenty weeks. The Company currently purchases post-larva shrimp that are approximately ten days old (PL 10). In the future, we plan to build our own hatcheries to control the supply of shrimp to each of our facilities. Our full-scale production systems will include grow-out and nursery tanks, projected to produce fresh shrimp fifty-two weeks per year.

## **Distribution and Marketing**

We plan to build these environmentally “green” production systems near major metropolitan areas of the United States. Today, we have one pilot production facility in La Coste, Texas (near San Antonio) and plan to begin construction of a second full-scale production facility in La Coste in the first half of 2016. Over the next five years, our plan is to increase construction of new facilities each year. In the fifth year, we plan for a new system to be completed each month, expanding first into the largest shrimp consumption markets of the United States.

### *Unique Product*

We plan to sell and distribute the vast majority of our shrimp production through distributors which have established customers and sufficient capacity to deliver a fresh product within hours following harvest. We believe we have the added advantage of being able to market our shrimp as fresh, natural and locally grown using sustainable, eco-friendly technology, a key differentiation from all existing shrimp producers. Furthermore, we believe that our ability to advertise our product in this manner along with the fact that it is a locally grown product, provides us with a marketing advantage over the competition.

### *Harvesting, Packaging and Shipment*

Each location is projected to include production, harvesting/processing and general shipping and receiving area, in addition to warehousing space for storage of necessary supplies and products required to grow, harvest, package and otherwise make ready for delivery, a fresh shrimp crop on a weekly basis to consumers in each individual market area within 24 hours following harvest.

The seafood industry lacks a consistent Source Verification method to track seafood products as they move through countries and customs procedures. With worldwide overfishing leading to declining shrimp freshness and sustainability around the world, it is vital for shrimp providers to be able to realistically identify the source of their product. Our future facilities will be designed to track shrimp from hatchery to plate using environmentally responsible methods.

### *International*

We own one hundred percent of NaturalShrimp Global, Inc. which was formed to create international partnerships. Each entity will use the Company’s proprietary technology to penetrate shrimp markets throughout the world utilizing existing food service distribution channels.

Because our system is enclosed and also indoors, it is not affected by weather or climate and does not depend on ocean proximity. As such we believe we will be able to provide, naturally grown, high-quality, fresh shrimp to major market customers each week. This will allow distribution companies to leverage their existing customer relationships by offering an uninterrupted supply of high quality, fresh and locally grown shrimp. We will utilize distributors that currently supply fresh seafood to upscale restaurants, country clubs, specialty super markets and retail stores whose clientele expect and appreciate fresh, natural products.

NaturalShrimp Global, Inc., a wholly owned subsidiary of NaturalShrimp Incorporated., owns a percentage of NaturalShrimp International A.S. in Europe. Our European-based partner, NaturalShrimp International A.S., Oslo, Norway is responsible for the construction cost of their facility and initial operating capital.

The first facility built in Spain for NaturalShrimp International A.S. is GambaNatural de España, S.L. The land for the first facility was purchased in Medina del Campo, Spain and construction of the 75,000 sq. ft. facility should be completed in 2015. Medina del Campo is approximately seventy-five miles northwest of Madrid, Spain.

We will seek potential partners throughout open territories as we are able to obtain the adequate funding to complete the first two facilities at the La Coste location.



### *Go to Market Strategy and Execution*

Our strategy is to develop regional production and distribution centers near major metropolitan areas throughout the United States and internationally. Today, we have 53,000 sq. ft. of R&D facilities, which includes, a pilot production system, greenhouse/reservoirs and utility buildings in La Coste, TX (near San Antonio). We intend to begin construction of a new free-standing facility with the next generation shrimp production system in place, on the property, in 2016.

The reasoning behind building additional shrimp production systems in La Coste is availability of trained production personnel, our research and development team, and an opportunity to develop the footprint and model for additional facilities. Our current plan is to develop six regional production and distribution centers near major markets in 2016 and adding one system per month in a selected production center depending on market demand.

We have sold product to restaurants at \$12.00 per pound and to retail consumers at \$16.50 to \$21.00 per pound, depending on size which helps to validate our pricing strategy. Additionally, from 2011 to 2013, we had two successful North Texas test markets which distributed thousands of pounds of fresh product to customers within 24 hours following harvest. The fresh product was priced from \$8.40 to \$12.00 per pound wholesale, heads on, net price to the Company.

### *Current Systems and Expansion*

The pilot system is near completion in La Coste, Texas and is projected to produce approximately 6,000 pounds every month. The next facility in La Coste will be substantially larger than the current system. The target yield of shrimp for the new facility will be approximately 6,000 pounds per week. Both facilities combined are projected to produce over 7,000 pounds of shrimp per week in La Coste. By staging the stocking and harvests from tank to tank, it enables us to produce weekly and therefore deliver fresh shrimp every week.

After the completion of the next system in La Coste, our long-term plan is to build additional production systems in Las Vegas, Chicago and New York. These locations are targeted to begin construction in 2017 and the funding for these plans are projected to come from profits, agricultural guaranty programs, and investors. These cities are not surrounded by commercial shrimp production and we believe there will be a high demand for fresh shrimp in all of these locations. In addition, the Company will continue to use the land it owns in La Coste to build as many systems as the Texas market demands.

### **Industry**

Shrimp is a well-known and globally-consumed commodity, constituting one of the most important types of seafood and a staple protein source for much of the world. According to the USDA Foreign Agricultural Service, the world consumes approximately 9.5 billion pounds of shrimp annually with over 1.7 billion pounds consumed in the United States alone. Approximately 65% of the global supply of shrimp is caught by ocean trawlers and the other 35% is produced by open-air shrimp farms, mostly in developing countries.

Shrimp boats catch shrimp through the use of large, boat-towed nets. These nets are quite toxic to the undersea environment as they disturb and destroy ocean-bottom ecosystems; these nets also catch a variety of non-shrimp sea life, which is typically killed and discarded as part of the shrimp harvesting process. Additionally, the world's oceans can only supply a finite amount of shrimp each year, and in fact, single-boat shrimp yields have fallen by approximately 20% since 2010 and continue to decrease. The shrimping industry's answer to this problem has been to deploy more (and bigger) boats that deploy ever-larger nets, which has in the short-term been successful at maintaining global shrimp yields. However, this benefit cannot continue forever, as eventually global demand has the potential of outstripping the oceans' ability to maintain the natural ecosystem's balance, resulting in a permanent decline in yields. When taken in light of global population growth and the ever-increasing demand for nutrient-rich foods such as shrimp, this is clearly an unsustainable production paradigm.

Shrimp farming, known in the industry as "aquaculture," has ostensibly stepped in to fill this demand/supply imbalance. Shrimp farming is typically done in open-air lagoons and man-made shrimp ponds connected to the open ocean. Because these ponds constantly exchange water with the adjacent sea, the farmers are able to maintain the water chemistry that allows the shrimp to prosper. However, this method of cultivating shrimp also carries severe ecological peril. First of all, most shrimp farming is primarily conducted in developing countries, where poor shrimp farmers have little regard for the global ecosystem. Because of this, these farmers use large quantities of antibiotics and other chemicals that maximize each farm's chance of producing a crop, putting the entire system at risk. For example, a viral infection that crops up in one farm can spread to all nearby farms, quite literally wiping out an entire region's production. In 1999, the White Spot virus invaded shrimp farms in at least five Latin American countries: Honduras, Nicaragua, Guatemala, Panama and Ecuador and in 2013-14 EMS (Early Mortality Syndrome) wiped out most of the Asia Pacific region and Mexico. Secondly, there is also a finite amount of coastline that can be used for shrimp production – eventually shrimp farms that are dependent on the open ocean will have nowhere to expand. Again, this is an ecologically damaging and ultimately unsustainable system for producing shrimp.

In both the cases, the current method of shrimp production is unsustainable. As global populations rise and the demand for shrimp continues to grow, the current system is bound to fall short. Shrimp trawling cannot continue to increase production without completely depleting the oceans' natural shrimp population. Trends in per-boat yield confirm that this industry has already crossed the overfishing threshold, putting the global open-ocean shrimp population in decline. While open-air shrimp aquaculture may seem to address this problem, it is also an unsustainable system that destroys coastal ecological systems and produces shrimp with very high chemical contamination levels. Closed-system shrimp farming is clearly a superior alternative, but its unique challenges have prevented it from becoming a widely-available alternative – until now.

Of the 1.7 billion pounds of shrimp consumed annually in the United States, over 1.3 billion pounds are imported – much of this from developing countries' shrimp farms. These farms are typically located in developing countries and use high levels of antibiotics and pesticides that are not allowed under USDA regulations. As a result, these shrimp farms produce chemical-laden shrimp in an ecologically unsustainable way.

Unfortunately, most consumers here in the United States are not aware of the origin of their store-bought shrimp or worse, that which they consume in restaurants. This is due to a USDA rule that states that only bulk-packaged shrimp must state the shrimp's country of origin; any "prepared" shrimp, which includes arrangements sold in grocery stores and seafood markets, as well as all shrimp served in restaurants, can simply be sold "as is." Essentially, this means that most U.S. consumers may be eating shrimp laden with chemicals and antibiotics. NaturalShrimp's product is free of pesticide chemicals and antibiotics, a fact that we believe is highly attractive and beneficial in terms of our eventual marketing success.

### **Competition**

There are a number of R&D projects attempting to develop closed-system technologies in the U.S., some with reported production and sales. Florida Organic Aquaculture uses a Bio-Floc Raceway System to intensify shrimp growth, while Marvesta Shrimp Farms tanks in water from the Atlantic and use in their indoor system. Since these are privately-held companies, it is not possible to know, with certainty, their state of technical development, production capacity, need for water exchange, location requirements, financial status and other matters. To the best of our knowledge, none are producing significant quantities of shrimp relative to their local markets. Any such fresh shrimp sales are confined to an area near the production facility.

Additionally, any new competitor would face significant barriers for entry into the market and would likely need years of R&D to develop the proprietary technology necessary to produce similar shrimp at a commercially viable level. We believe our technology and business model sets us apart from any current competition. It is possible that additional competitors will arise in the future, but with the size and growth of the worldwide shrimp market, many competitors could co-exist and thrive in the fresh shrimp industry.

### **Intellectual Property**

We intend to take appropriate steps to protect our intellectual property. We have registered the trademark "NATURALSHRIMP" which had been approved and was published in the Official Gazette on June 5, 2012. There are potential technical processes for which the Company may be able to file a patent. However, there are no assurances that such applications, if filed, would be issued and no right of enforcement is granted to a patent application. Therefore, the Company plans to use a variety of methods, including copyright registrations as appropriate, trade secret protection, and confidentiality and non-compete agreements to protect its intellectual property portfolio.

## Source and Availability of Raw Materials

Raw materials are received in a timely manner from established suppliers. Currently, we buy the bulk of our feed from Zeigler, a leading producer of aquatic feed. PL shrimp are purchased from Shrimp Improvement Systems (SIS) in Florida. SIS has been in the PL production business for many years and is the leading supplier in the U.S.

There have not been any issues regarding the availability of our raw materials. We have favorable contacts and past business dealings with other major shrimp feed producers if current suppliers are not available.

## Government Approvals and Regulations

We are subject to government regulation and require certain licenses. Following are regulations we are to and/or the permits and licenses we currently hold:

- Texas Parks and Wildlife Department (TPWD) - "Exotic species permit" to raise exotic shrimp (non-native to Texas). The La Coste facility is north of the coastal shrimp exclusion zone (east and south of H-35, where it intersects Hwy 21 down to Laredo) and therefore outside of TPWD's major area of concern for exotic shrimp. Currently Active - Expires 12/31/15.
- Texas Department of Agriculture (TDA) - "Aquaculture License" for aquaculture production facilities. License to "operate a fish farm or cultured fish processing plant." Currently Active - Expires 4/30/17
- Texas Commission on Environmental Quality (TCEQ) - Regulates facility wastewater discharge. According to the TCEQ permit classification system, we are rated Level 1 - Recirculation system with no discharge. Currently Active - No expiration.
- San Antonio River Authority - No permit required, but has some authority over any effluent water that could impact surface and ground waters.
- OSHA - No permit required but has right to inspect facility.
- HACCP (Hazard Analysis and Critical Control Point) - Not needed unless we process shrimp on site. Training and preparation of HACCP plans remain to be completed. There are multiple HACCP plans listed at <http://seafood.ucdavis.edu/haccp/Plans.htm> and other web sites that can be used as examples.
- Texas Department of State Health Services - Food manufacturer license # 1011080
- Aquaculture Certification Council (ACC) and Best Aquaculture Practices (BAP) - Provide shrimp production certification for shrimp marketing purposes to mainly well-established vendors. ACC and BAP certifications require extensive record keeping. No license is required at this time.

We are subject to certain regulations regarding the need for field employees to be certified. We strictly adhere to these regulations. The cost of certification is an accepted part of expenses. Regulations may change and become a cost burden but compliance and safety are our main concern.

## Market Advantages and Corporate Drivers

The following are what we consider to be our advantages in the marketplace:

- Early-mover Advantage: Commercialized technology in a large growing market with no significant competition yet identified. Most are early stage start-ups or early stage companies with limited production and distribution.
- Locally Produced: This has significant advantages including reduced transportation costs and a product that is more attractive to local consumers.
- Bio-secured Building: Our process is a re-circulating, highly-filtered technology in an indoor-regulated environment. External pathogens are excluded.
- Eco-friendly "Green" Technology: Our closed-loop, re-circulating system has no ocean water exchange requirements, does not use chemical or antibiotics and therefore is sustainable, eco-friendly, environmentally sound and produces a superior quality shrimp that is totally natural.
- Availability of Weekly Fresh Shrimp: Assures consumers of optimal freshness, taste, and texture of product which will command premium prices.
- Sustainability: Our naturally grown product does not deplete wild supplies, has no by-catch kill of marine life, does not damage sensitive ecological environments and avoids potential risks of imported seafood.

We plan to apply to the Business & Industry Loan Guarantee Program that the U.S. Department of Agriculture (USDA) makes available to businesses in rural areas. As part of the program, the USDA guarantees up to 80% of the loan for the land, building, equipment and working capital. Each company can qualify for up to \$25 million in loan guarantees. Each of our locations will be a separate entity and therefore each location can obtain up to \$25 million in loan guarantees. This program is available in rural areas all over the United States.

### **Employees**

As of March 31, 2015, we had six full-time employees and two part-time employees. We intend to hire additional staff and to engage consultants in general administration. We also intend to engage experts in general business to advise us in various capacities.

### **ITEM 1A. RISK FACTORS**

You should carefully consider the risks described below together with all of the other information included in our public filings before making an investment decision with regard to our securities. The statements contained in or incorporated into this document that are not historic facts are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements. If any of the following events described in these risk factors actually occurs, our business, financial condition or results of operations could be harmed. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment. Moreover, additional risks not presently known to us or that we currently deem less significant also may impact our business, financial condition or results of operations, perhaps materially.

#### ***Risks Related to Our Business and Industry***

##### **The market for our product may be limited, and as a result our business may be adversely affected.**

The feasibility of marketing our product has been assumed to this point and there can be no assurance that such assumptions are correct. It is possible that the costs of development and implementation of our shrimp production technology may be too expensive to market our shrimp at a competitive price. It is likewise possible that competing technologies will be introduced into the marketplace before or after the introduction of our product to the market, which may affect our ability to market our product at a competitive price.

Furthermore, there can be no assurance that the prices we determine to charge for our product will be commercially acceptable or that the prices that may be dictated by the market will be sufficient to provide to us sufficient revenues to profitably operate and provide a financial return to our investors.

##### **Our business and operations are affected by the volatility of prices for shrimp.**

Our business, prospects, revenues, profitability and future growth are highly dependent upon the prices of and demand for shrimp. Our ability to borrow and to obtain additional capital on attractive terms is also substantially dependent upon shrimp prices. These prices have been and are likely to continue to be extremely volatile for seasonal, cyclical and other reasons. Any substantial or extended decline in the price of shrimp will have a material adverse effect on our financing capacity and our prospects for commencing and sustaining any economic commercial production. In addition, increased availability of imported shrimp can affect our business by lowering commodity prices. This could reduce the value of inventories, held both by us and by our customers, and cause many of our customers to reduce their orders for new products until they can dispose of their higher cost inventories.

**Market demand for our products may decrease.**

We face competition from other producers of seafood as well as from other protein sources, such as pork, beef and poultry. The basis on which we expect to compete include, but may not be limited to:

- price;
- product quality;
- brand identification; and
- customer service.

Demand for our products will be affected by our competitors' promotional spending. We may be unable to compete successfully on any or all of these bases in the future, which may have a material adverse effect on our revenues and results of operations.

Moreover, although historically the logistics and perishability of seafood has led to regionalized competition, the market for fresh and frozen seafood is becoming increasingly globalized as a result of improved delivery logistics and improved preservation of the products. Increased competition, consolidation, and overcapacity may lead to lower product pricing of competing products that could reduce demand for our products and have a material adverse effect on our revenues and results of operations.

**If we do not have access to all of the equipment, supplies, materials and services needed, we may have to suspend our operations as a result.**

Competition and unforeseen limited sources of supplies in the industry may result in occasional spot shortages of equipment, supplies and materials. In particular, we may experience possible unavailability of post-larvae and materials and services used in our shrimp production facilities. Such unavailability could result in increased costs and delays to our operations. If we cannot find the products, equipment and materials that we need on a timely basis, we may have to suspend our production plans until we find the products, equipment and materials that we need.

**If we lose our key management and technical personnel, our business may be adversely affected.**

In carrying out our operations, we will rely upon a small group of key management and technical personnel including our Chief Executive Officer, Chairman of the Board and President. We do not currently maintain any key man insurance. An unexpected partial or total loss of the services of these key individuals could be detrimental to our business.

**Our expansion plans for our shrimp production facilities reflects our current intent and is subject to change.**

Our current plans regarding expansion of our shrimp production facilities are subject to change. Whether we ultimately undertake our expansion plans will depend on the following factors, among others:

- availability and cost of capital;
- current and future shrimp prices;
- costs and availability of post-larvae shrimp, equipment, supplies and personnel necessary to conduct these operations;
- success or failure of system design and activities in similar areas;
- changes in the estimates of the costs to complete production facilities; and
- decisions of operators and future joint venture partners.

We will continue to gather data about our production facilities, and it is possible that additional information may cause us to alter our schedule or determine that a certain facility should not be pursued at all.

**Our product is subject to regulatory approvals and if we fail to obtain such approvals, our business may be adversely affected.**

Most of the jurisdictions in which we operate will require us to obtain a license for each facility owned and operated in that jurisdiction. We have obtained and currently hold a license to own and operate each of our facilities where a license is required. In order to maintain the licenses, we have to operate our current farms and, if we pursue acquisitions or construction of new farms, we will need to obtain additional licenses to operate those farms, where required. We are also exposed to dilution of our licenses where a government issues new licenses to fish farmers other than us, thereby reducing the current value of our fish farming licenses. Governments may change the way licenses are distributed or otherwise dilute or invalidate our licenses. If we are unable to maintain or obtain new fish farming licenses or if new licensing regulations dilute the value of our licenses, this may have a material adverse effect on our business.

It is possible that regulatory authorities could make changes in regulatory rules and policies and we would not be able to market or commercialize our product in the intended manner and/or the changes could adversely impact the realization of the NaturalShrimp technology market potential.

**Failure to ensure food safety and compliance with food safety standards could result in serious adverse consequences for us.**

As our end products are for human consumption, food safety issues (both actual and perceived) may have a negative impact on the reputation of and demand for our products. In addition to the need to comply with relevant food safety regulations, it is of critical importance that our products are safe and perceived as safe and healthy in all relevant markets.

Our products may be subject to contamination by food-borne pathogens, such as *Listeria monocytogenes*, *Clostridia*, *Salmonella* and *E. Coli* or contaminants. These pathogens and substances are found in the environment; therefore, there is a risk that one or more of these organisms and pathogens can be introduced into our products as a result of improper handling, poor processing hygiene or cross-contamination by us, the ultimate consumer or any intermediary. We have little, if any, control over handling procedures once we ship our products for distribution. Furthermore, we may not be able to prevent contamination of our shrimp by pollutants such as polychlorinated biphenyls, or PCBs, dioxins or heavy metals.

An inadvertent shipment of contaminated products may be a violation of law and may lead to product liability claims, product recalls (which may not entirely mitigate the risk of product liability claims), increased scrutiny and penalties, including injunctive relief and plant closings, by regulatory agencies, and adverse publicity.

Increased quality demands from authorities in the future relating to food safety may have a material adverse effect on our business, financial condition, results of operations or cash flow. Legislation and guidelines with tougher requirements are expected and may imply higher costs for the food industry. In particular, the ability to trace products through all stages of development, certification and documentation is becoming increasingly required under food safety regulations. Further, limitations on additives and use of medical products in the farmed shrimp industry may be imposed, which could result in higher costs for us.

The food industry in general experiences high levels of customer awareness with respect to food safety and product quality, information and traceability. We may fail to meet new and exacting customer requirements, which could reduce demand for our products.

**Our success is dependent upon our ability to commercialize our shrimp production technology.**

We are currently in the pilot production stage but have not yet commenced full commercial operations. Since inception, we have been engaged principally in the research and development of the NaturalShrimp technology. Therefore, we have a limited operating history upon which an evaluation of our prospects can be made. Our prospects must be considered in light of the risk, uncertainties, expenses, delays and difficulties associated with the establishment of a new business in the evolving food industry, as well as those risks encountered in the shift from development to commercialization of new technology and products or services based upon such technology.

We have developed our first commercial system that employs the NaturalShrimp technology but additional work is required to incorporate that technology into a system capable of accommodating thousands of customers, which is the minimum capability we believe is necessary to compete in the marketplace. The principal purpose of seeking investment capital is to provide working capital for our current operations.

**Our shrimp production technology may not operate as intended.**

Although we have successfully tested our NaturalShrimp technology, our approach, which is still fairly new in the industry, may not operate as intended or may be subject to other factors that we have not yet considered. These may include the impact of new pathogens or other biological risks, low oxygen levels, algal blooms, fluctuating seawater temperatures, predation or escapes. Any of the foregoing may result in physical deformities to our shrimp or affect our ability to increase shrimp production, which may have a material adverse effect on our operations.

**Our success is dependent upon our ability to protect our intellectual property.**

Our success will depend in part on our ability to obtain and enforce protection for our intellectual property in the United States and other countries. It is possible that our intellectual property protection could fail. It is possible that the claims for patents or other intellectual property protections could be denied or invalidated or that our protections will not be sufficiently broad to protect our technology. It is also possible that our intellectual property will not provide protection against competitive products, or will not otherwise be commercially viable.

Our commercial success will depend in part on our ability to commercialize our shrimp production without infringing on patents or proprietary rights of others. We cannot guarantee that other companies or individuals have not or will not independently develop substantially equivalent proprietary rights or that other parties have not or will not be issued patents that may prevent the sale of our products or require licensing and the payment of significant fees or royalties in order for us to be able to carry on our business.

**As the owner of real estate, we are subject to risks under environmental laws, the cost of compliance with which and any violation of which could materially adversely affect us.**

Our operating expenses could be higher than anticipated due to the cost of complying with existing and future laws and regulations. Various environmental laws may impose liability on the current or prior owner or operator of real property for removal or remediation of hazardous or toxic substances. Current or prior owners or operators may also be liable for government fines and damages for injuries to persons, natural resources and adjacent property. These environmental laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence or disposal of the hazardous or toxic substances. The cost of complying with environmental laws could materially adversely affect our results of operations, and such costs could exceed the value of our facility. In addition, the presence of hazardous or toxic substances, or the failure to properly manage, dispose of or remediate such substances, may adversely affect our ability to use, sell or rent our property or to borrow using our property as collateral which, in turn, could reduce our revenue and our financing ability. We have not engaged independent environmental consultants to assess the likelihood of any environmental contamination or liabilities and have not obtained a Phase I environmental assessments on our property. However, even if we did obtain a Phase I environmental assessment report, such reports are limited in scope and may not reveal all existing material environmental contamination.

***Risks Related to Financing Our Business***

**Expansion of our operations will require significant capital expenditures for which we may be unable to obtain sufficient financing.**

Our need for additional capital may adversely affect our financial condition. We have no sustained history of earnings and have operated at a loss since we commenced business. We have relied, and continue to rely, on external sources of financing to meet our capital requirements, to continue developing our proprietary technology, to build our production facilities, and to otherwise implement our corporate development and investment strategies.

We plan to obtain the future funding that we will need through the debt and equity markets but there can be no assurance that we will be able to obtain additional funding when it is required. If we fail to obtain the funding that we need when it is required, we may have to forego or delay potentially valuable opportunities to build shrimp production facilities or default on existing funding commitments to third parties. Our limited operating history may make it difficult to obtain future financing.

**Our ability to generate positive cash flow is uncertain.**

To develop and expand our business, we will need to make significant up-front investments in our manufacturing capacity and incur research and development, sales and marketing and general and administrative expenses. In addition, our growth will require a significant investment in working capital. Our business will require significant amounts of working capital to meet our production requirements and support our growth.

We cannot provide any assurance that we will be able to raise the capital necessary to meet these requirements. If adequate funds are not available or are not available on satisfactory terms, we may be required to significantly curtail our operations and may not be able to fund our current production requirements - let alone fund expansion, take advantage of unanticipated acquisition opportunities, develop or enhance our products, or respond to competitive pressures. Any failure to obtain such additional financing could have a material adverse effect on our business, results of operations and financial condition.

**Because we may never have net income from our operations, our business may fail.**

We have no history of revenues and profitability from operations. There can be no assurance that we will ever operate profitably. Our success is significantly dependent on uncertain events, including successful development of our technology, establishing satisfactory manufacturing arrangements and processes, and distributing and selling our products.

Before receiving revenues from sales to customers of our products, we anticipate that we will incur increased operating expenses without realizing any revenues. We therefore expect to incur significant losses. If we are unable to generate significant revenues from sales of our products, we will not be able to earn profits or continue operations. We can provide no assurance that we will generate any revenues or ever achieve profitability. If we are unsuccessful in addressing these risks, our business will fail and investors may lose all of their investment in our Company.

***Risks Related to Doing Business in Foreign Countries***

**Our operations in foreign countries are subject to political, economic, legal and regulatory risks.**

The following aspects of political, economic, legal and regulatory systems in foreign countries create uncertainty with respect to many of the legal and business decisions that we make:

- cancellation or renegotiation of contracts due to uncertain enforcement and recognition procedures of judicial decisions;
- disadvantages of competing against companies from countries that are not subject to U.S. laws and regulations, including the Foreign Corrupt Practices Act;
- changes in foreign laws or regulations that adversely impact our business;
- changes in tax laws that adversely impact our business, including, but not limited to, increases in the tax rates and retroactive tax claims;
- royalty and license fee increases;
- expropriation or nationalization of property;
- currency fluctuations;
- foreign exchange controls;
- import and export regulations;
- changes in environmental controls;
- risks of loss due to civil strife, acts of war and insurrection; and
- other risks arising out of foreign governmental sovereignty over the areas in which our operations are conducted.



Consequently, our development and production activities in foreign countries may be substantially affected by factors beyond our control, any of which could materially adversely affect our business, prospects, financial position and results of operations. Furthermore, in the event of a dispute arising from our operations in other countries, we may be subject to the exclusive jurisdiction of courts outside the United States or may not be successful in subjecting non-U.S. persons to the jurisdiction of the courts in the United States, which could adversely affect the outcome of a dispute.

**The cost of complying with governmental regulations in foreign countries may adversely affect our business operations.**

We may be subject to various governmental regulations in foreign countries. These regulations may change depending on prevailing political or economic conditions. In order to comply with these regulations, we believe that we may be required to obtain permits for producing shrimp and file reports concerning our operations. These regulations affect how we carry on our business, and in order to comply with them, we may incur increased costs and delay certain activities pending receipt of requisite permits and approvals. If we fail to comply with applicable regulations and requirements, we may become subject to enforcement actions, including orders issued by regulatory or judicial authorities requiring us to cease or curtail our operations, or take corrective measures involving capital expenditures, installation of additional equipment or remedial actions. We may be required to compensate third parties for loss or damage suffered by reason of our activities, and may face civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing our operations and activities could affect us in a materially adverse way and could force us to increase expenditures or abandon or delay the development of shrimp production facilities.

**Our international operations involve the use of foreign currencies, which subjects us to exchange rate fluctuations and other currency risks.**

The revenues and expenses of our international operations are generally denominated in local currencies, which subject us to exchange rate fluctuations between such local currencies and the U.S. dollar. These exchange rate fluctuations will subject us to currency translation risk with respect to the reported results of our international operations, as well as to other risks sometimes associated with international operations. In the future, we could experience fluctuations in financial results from our operations outside of the United States, and there can be no assurance we will be able, contractually or otherwise, to reduce the currency risks associated with our international operations.

**Our insurance coverage may be inadequate to cover all significant risk exposures.**

We will be exposed to liabilities that are unique to the products we provide. While we intend to maintain insurance for certain risks, the amount of our insurance coverage may not be adequate to cover all claims or liabilities, and we may be forced to bear substantial costs resulting from risks and uncertainties of our business. It is also not possible to obtain insurance to protect against all operational risks and liabilities. The failure to obtain adequate insurance coverage on terms favorable to us, or at all, could have a material adverse effect on our business, financial condition and results of operations. We do not have any business interruption insurance. Any business disruption or natural disaster could result in substantial costs and diversion of resources.

***Risks Related to Ownership of our Common Stock***

**We have limited capitalization and may require financing, which may not be available.**

We have limited capitalization, which increases our vulnerability to general adverse economic and industry conditions, limits our flexibility in planning for or reacting to changes in our business and industry and may place us at a competitive disadvantage to competitors with sufficient or excess capitalization. If we are unable to obtain sufficient financing on satisfactory terms and conditions, we will be forced to curtail or abandon our plans or operations. Our ability to obtain financing will depend upon a number of factors, many of which are beyond our control.

**A limited public trading market exists for our common stock, which makes it more difficult for our stockholders to sell their common stock in the public markets. Any trading in our shares may have a significant effect on our stock prices.**

Although our common stock is listed for quotation on the OTC Marketplace under the symbol “SHMP”, the trading volume of our stock is limited and a market may not develop or be sustained. As a result, any trading price of our common stock on the OTC Marketplace may not be an accurate indicator of the trading price of our common stock. Any trading in our shares could have a significant effect on our stock price. If a more liquid public market for our common stock does not develop, then investors may not be able to resell the shares of our common stock that they have purchased and may lose all of their investment. No assurance can be given that an active market will develop or that a stockholder will ever be able to liquidate its shares of common stock without considerable delay, if at all. Many brokerage firms may not be willing to effect transactions in the securities. Even if an investor finds a broker willing to effect a transaction in our securities, the combination of brokerage commissions, state transfer taxes, if any, and any other selling costs may exceed the selling price. Furthermore, our stock price may be impacted by factors that are unrelated or disproportionate to our operating performance. These market fluctuations, as well as general economic, political and market conditions, such as recessions, interest rates or international currency fluctuations may adversely affect the market price and liquidity of our common stock.

**Our stock price may be volatile.**

The market price of our common stock is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond our control, including the following:

- limited “public float” in the hands of a small number of persons whose sales (or lack of sales) could result in positive or negative pricing pressure on the market price for our common stock;
- actual or anticipated variations in our quarterly operating results;
- changes in our earnings estimates;
- our ability to obtain adequate working capital financing;
- changes in market valuations of similar companies;
- publication (or lack of publication) of research reports about us;
- changes in applicable laws or regulations, court rulings, enforcement and legal actions;
- loss of any strategic relationships;
- additions or departures of key management personnel;
- actions by our stockholders (including transactions in our shares);
- speculation in the press or investment community;
- increases in market interest rates, which may increase our cost of capital;
- changes in our industry;
- competitive pricing pressures;
- our ability to execute our business plan; and
- economic and other external factors.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock.

**Our stock is categorized as a penny stock. Trading of our stock may be restricted by the SEC’s penny stock regulations which may limit a stockholder’s ability to buy and sell our stock.**

Our stock is categorized as a “penny stock”, as that term is defined in SEC Rule 3a51-1, which generally provides that “penny stock”, is any equity security that has a market price (as defined) less than US\$5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, including Rule 15c-9, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and accredited investors. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer’s account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer’s confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser’s written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities and reduces the number of potential investors. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.

According to SEC Release No. 34-29093, the market for “penny stocks” has suffered in recent years from patterns of fraud and abuse. Such patterns include: (1) control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer; (2) manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases; (3) boiler room practices involving high-pressure sales tactics and unrealistic price projections by inexperienced sales persons; (4) excessive and undisclosed bid-ask differential and markups by selling broker-dealers; and (5) the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the resulting inevitable collapse of those prices and with consequent investor losses. The occurrence of these patterns or practices could increase the future volatility of our share price.

**FINRA sales practice requirements may also limit a stockholder’s ability to buy and sell our stock.**

In addition to the “penny stock” rules described above, FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer’s financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. The FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for our shares.

**To date, we have not paid any cash dividends and no cash dividends will be paid in the foreseeable future.**

We do not anticipate paying cash dividends on our common stock in the foreseeable future and we may not have sufficient funds legally available to pay dividends. Even if the funds are legally available for distribution, we may nevertheless decide not to pay any dividends. We presently intend to retain all earnings for our operations.

**The existence of indemnification rights to our directors, officers and employees may result in substantial expenditures by our Company and may discourage lawsuits against our directors, officers and employees.**

Our bylaws contain indemnification provisions for our directors, officers and employees, and we have entered into indemnification agreements with our officer and directors. The foregoing indemnification obligations could result in us incurring substantial expenditures to cover the cost of settlement or damage awards against directors and officers, which we may be unable to recoup. These provisions and resultant costs may also discourage us from bringing a lawsuit against directors and officers for breaches of their fiduciary duties, and may similarly discourage the filing of derivative litigation by our stockholders against our directors and officers even though such actions, if successful, might otherwise benefit us and our stockholders.

**If we fail to develop or maintain an effective system of internal controls, we may not be able to accurately report our financial results or prevent financial fraud. As a result, current and potential stockholders could lose confidence in our financial reporting.**

We are subject to the risk that sometime in the future, our independent registered public accounting firm could communicate to the board of directors that we have deficiencies in our internal control structure that they consider to be “significant deficiencies”. A “significant deficiency” is defined as a deficiency, or a combination of deficiencies, in internal controls over financial reporting such that there is more than a remote likelihood that a material misstatement of the entity’s financial statements will not be prevented or detected by the entity’s internal controls.

Effective internal controls are necessary for us to provide reliable financial reports and effectively prevent fraud. If we cannot provide reliable financial reports or prevent fraud, we could be subject to regulatory action or other litigation and our operating results could be harmed. We are required to document and test our internal control procedures to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act” or “SOX”), which requires our management to annually assess the effectiveness of our internal control over financial reporting.

We currently are not an “accelerated filer” as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended. Section 404 of the Sarbanes-Oxley Act of 2002 (“Section 404”) requires us to include an internal control report with our Annual Report on Form 10-K. That report must include management’s assessment of the effectiveness of our internal control over financial reporting as of the end of the fiscal year. This report must also include disclosure of any material weaknesses in internal control over financial reporting that we have identified. As of March 31, 2014, the management of the Company assessed the effectiveness of the Company’s internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) and SEC guidance on conducting such assessments. Management concluded, during the fiscal year ended March 31, 2014, that the Company’s internal controls and procedures were not effective to detect the inappropriate application of U.S. GAAP rules. Management realized there were deficiencies in the design or operation of the Company’s internal control that adversely affected the Company’s internal controls which management considers to be material weaknesses. A material weakness in the effectiveness of our internal controls over financial reporting could result in an increased chance of fraud and the loss of customers, reduce our ability to obtain financing and require additional expenditures to comply with these requirements, each of which could have a material adverse effect on our business, results of operations and financial condition.

Our intended business, operations and accounting are expected to be substantially more complex than they have been in the past. It may be time consuming, difficult and costly for us to develop and implement the internal controls and reporting procedures required by the Sarbanes-Oxley Act. We may need to hire additional financial reporting, internal controls and other finance personnel in order to develop and implement appropriate internal controls and reporting procedures. If we are unable to comply with the internal controls requirements of the Sarbanes-Oxley Act, then we may not be able to obtain the independent accountant certifications required by such act, which may preclude us from keeping our filings with the SEC current.

If we are unable to maintain the adequacy of our internal controls, as those standards are modified, supplemented, or amended from time to time, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404. Failure to achieve and maintain an effective internal control environment could cause us to face regulatory action and cause investors to lose confidence in our reported financial information, either of which could adversely affect the value of our common stock.

**As a public company, we will incur significant increased operating costs and our management will be required to devote substantial time to new compliance initiatives.**

Although our management has significant experience in the food industry, it has only limited experience operating the Company as a public company. To operate effectively, we will be required to continue to implement changes in certain aspects of our business and develop, manage and train management level and other employees to comply with ongoing public company requirements. Failure to take such actions, or delay in the implementation thereof, could have a material adverse effect on our business, financial condition and results of operations.

The Sarbanes-Oxley Act, as well as rules subsequently implemented by the SEC, imposes various requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these new compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly.

Our independent registered public accounting firm has issued its audit opinion on our consolidated financial statements appearing in our annual report on Form 10-K, including an explanatory paragraph as to an uncertainty with the respect to our ability to continue as a going concern.

The report of Turner, Stone & Company, our independent registered public accounting firm, with respect to our consolidated financial statements and the related notes for the fiscal year ended March 31, 2015, indicates that there was substantial doubt about our ability to continue as a going concern. Our financial statements do not include any adjustments that might result from this uncertainty.

#### ITEM 1B. UNRESOLVED STAFF COMMENTS

Not Applicable.

#### ITEM 2. PROPERTIES

Our principal offices are located at 2068 North Valley Mills Road, Waco, TX 76710, where we pay \$500 per month.

We also own an R&D facility at 833 County Road 583, Medina, TX, which consists of a 32,760 square foot production facility on 37 acres.

#### ITEM 3. LEGAL PROCEEDINGS

We know of no material proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to our company or our Subsidiaries or has a material interest adverse to our company or our Subsidiaries.

#### ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

### PART II

#### ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

##### *Market information*

Our common stock is quoted on the OTCQB under the symbol "SHMP". The closing price of our common stock on July 8, 2015 was \$1.87 per share. Set forth below are the range of high and low bid quotations for the period indicated as reported by the OTC Markets Group ([www.otcmarkets.com](http://www.otcmarkets.com)). The market quotations reflect inter-dealer prices, without retail mark-up, mark-down or commissions and may not necessarily represent actual transactions.

<b>Quarter Ended</b>	<b>Bid High</b>	<b>Bid Low</b>
March 31, 2015	\$ 1.90	\$ 1.90
December 31, 2014	\$ 1.00	\$ 1.00
September 30, 2014 <sup>(1)</sup>	\$ 0.10	\$ 0.10
June 30, 2014 <sup>(1)</sup>	\$ 0.10	\$ 0.10
March 31, 2014 <sup>(1)</sup>	\$ 0.10	\$ 0.10
December 31, 2013 <sup>(1)</sup>	\$ 0.10	\$ 0.10
September 30, 2013 <sup>(1)</sup>	\$ 0.10	\$ 0.10
June 30, 2013 <sup>(1)</sup>	\$ 0.10	\$ 0.10

<sup>(1)</sup> All per share amounts reflected hereafter give effect to the 1-for-10 reverse split.

#### *Transfer Agent*

Our transfer agent is Island Stock Transfer, Inc., and is located at 15500 Roosevelt Boulevard, Suite 301, Clearwater, Florida 33760. Their telephone number is (727) 289-0010.

#### *Holder of Common Stock*

As of July 8, 2015, there were 48 shareholders of record of our common stock. As of such date, 88,158,952 shares were issued and outstanding.

#### *Registration Rights*

We currently do not have any investment agreements in place with registration rights.

#### *Dividends*

We have never declared or paid any cash dividends on our common stock. We currently intend to retain future earnings, if any, to increase our working capital and do not anticipate paying any cash dividends in the foreseeable future.

#### *Recent Sales of Unregistered Securities*

From February 13, 2015 through July 16, 2015, we sold an aggregate of 2,938,712 shares of common stock to accredited investors for gross aggregate proceeds of \$1,028,550 pursuant to a private placement offering.

The above sales of securities were conducted by the Company on a “best efforts” basis wherein up to 7,142,858 shares of common stock at a price of \$0.35 per share were available to be sold, for an aggregate purchase price of \$2,500,000, may be sold. Each of the purchasers executed a subscription agreement, and each purchaser represented to the Company that such investor is an “accredited investor” as defined in Rule 501(a) of Regulation D of the Securities Act of 1933, as amended (the “Securities Act”). The Company intends to use the proceeds of the Offering for general corporate purposes, including working capital needs.

#### *Securities Authorized for Issuance Under Equity Compensation Plans*

There were no equity compensation plans formally approved by the shareholders of the Company as of March 31, 2015.

#### *Issuer Purchases of Equity Securities*

During the fiscal year ended March 31, 2015, we did not purchase any of our equity securities.

### **ITEM 6. SELECTED FINANCIAL DATA**

Not applicable.

### **ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

#### *Cautionary Notice Regarding Forward Looking Statements*

The information contained in Item 7 contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Actual results may materially differ from those projected in the forward-looking statements as a result of certain risks and uncertainties set forth in this report. Although management believes that the assumptions made and expectations reflected in the forward-looking statements are reasonable, there is no assurance that the underlying assumptions will, in fact, prove to be correct or that actual results will not be different from expectations expressed in this report.

We desire to take advantage of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. This filing contains a number of forward-looking statements that reflect management’s current views and expectations with respect to our business, strategies, products, future results and events, and financial performance. All statements made in this filing other than statements of historical fact, including statements addressing operating performance, clinical developments which management expects or anticipates will or may occur in the future, including statements related to our technology, market expectations, future revenues, financing alternatives, statements expressing general optimism about future operating results, and non-historical information, are forward looking statements. In particular, the words “believe,” “expect,” “intend,” “anticipate,” “estimate,” “may,” variations of such words, and similar expressions identify forward-looking statements, but are not the exclusive means of identifying such statements, and their absence does not mean that the statement is not forward-looking. These forward-looking statements are subject to certain risks and uncertainties, including those discussed below. Our actual results, performance or achievements could differ materially from historical results as well as those expressed in, anticipated, or implied by these forward-looking statements. We do not undertake any obligation to revise these forward-looking statements to reflect any future events or circumstances.

Readers should not place undue reliance on these forward-looking statements, which are based on management’s current expectations and projections about future events, are not guarantees of future performance, are subject to risks, uncertainties and assumptions (including those described below), and apply only as of the date of this filing. Our actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements. Factors which could cause or contribute to such differences include, but are not limited to, the risks to be discussed in this Annual Report on Form 10-K and in the press releases and other communications to shareholders issued by us from time to time which attempt to advise interested parties of the risks and factors which may affect our business. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

#### *Use of Generally Accepted Accounting Principles (“GAAP”) Financial Measures*

We use United States GAAP financial measures in the section of this report captioned “Management’s Discussion and Analysis or Plan of Operation” (MD&A), unless otherwise noted. All of the GAAP financial measures used by us in this report relate to the inclusion of financial information. This discussion and analysis should be read in conjunction with our financial statements and the notes thereto included elsewhere in this annual report. All references to dollar amounts in this section are in United States dollars, unless expressly stated otherwise. Please see our “Risk Factors” for a list of our risk factors.

#### *Overview*

We were incorporated in the State of Nevada on July 3, 2008. Effective November 5, 2010, we effected an 8 for 1 forward stock split, increasing the issued and outstanding shares of our common stock from 12,000,000 shares to 96,000,000 shares. Effective October 29, 2014, we effected a 1 for 10 reverse stock split, decreasing the issued and outstanding shares of our common stock from 97,000,000 to 9,700,000.

On January 30, 2015, we consummated the acquisition of substantially all of the assets (the “Assets”) of NaturalShrimp Holdings, Inc., a Delaware corporation (“NSH”) pursuant to an Asset Purchase Agreement, dated November 26, 2014, by and between the Company and NSH (the “Agreement”).

In accordance with the terms of the Agreement, we issued 75,520,240 shares of our common stock (the “Shares”) to NSH as consideration for the Assets, which consist primarily of all of the issued and outstanding shares of capital stock of NSC and NS Global, and certain real property located in San Antonio, Texas (the “Transaction”). As a result of the Transaction, NSH acquired 88.62% of our issued and outstanding shares of common stock, NSC and NS Global became our wholly-owned subsidiaries, and we changed our principal business to a global shrimp farming company.

Since the closing of the Asset Purchase Agreement, we changed our company name to NaturalShrimp Incorporated and acquired a new stock symbol, “SHMP” that is trading on the OTCQB.

We are a biotechnology companies and have developed a proprietary technology that allows us to grow Pacific white shrimp in an ecologically controlled, high-density, low-cost environment, and in fully contained and independent production facilities. Our system uses technology which allows us to produce a naturally-grown shrimp “crop” weekly, and accomplishes this without the use of antibiotics or toxic chemicals. We have developed several proprietary technology assets, including a knowledge base that allows us to produce commercial quantities of shrimp in a closed system with a computer monitoring system that automates, monitors and maintains proper levels of oxygen, salinity and temperature for optimal shrimp production. Our initial production facility is located outside of San Antonio, Texas, and we hold a minority interest in a Norwegian company that owns and operates a production facility in Medina del Campo, Spain, using the NaturalShrimp system.

#### *Development Plan*

Our plan of operation over the next 24 months is to:

##### Domestically

- Secure capital and upgrade the existing R&D facility;
- Begin the retrofit of existing system to a commercial shrimp production pilot plant;
- Following the completion of a successful capital raise and new production system build-out in La Coste, identify and build-out up to six shrimp production systems in major market areas; and
- Begin build-out of one full scale production system per month.

##### Internationally

- Begin proprietary genetics and hatchery programs;
- Build hatchery at Medina del Campo facility;
- Work with NaturalShrimp AS, to secure additional capital to build additional production systems at the Gamba Natural operations located outside of Madrid, Spain in Medina del Campo; and
- Locate additional target markets and initiate five-year system rollout for Europe and other world markets as cash flow and capital allow.

#### *Results of Operations*

Pursuant to ASC Paragraphs 805-40-45-1 and 45-2, consolidated financial statements following a reverse acquisition are issued under the name of the legal parent (accounting acquirer), but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquiree), with one adjustment, which is to retroactively adjust the accounting acquirer’s legal capital to reflect the legal capital of the accounting acquiree. That adjustment is required to reflect the capital of the legal parent (the accounting acquiree). Comparative information presented in those consolidated financial statements also is retroactively adjustment to reflect the legal capital of the legal parent (accounting acquiree). The consolidated financial statements reflect all of the following: (a) The assets and liabilities of the legal subsidiary (the accounting acquirer) recognized and measured at their pre-combination carrying amounts; (b) the assets and liabilities of the legal parent (the accounting acquiree) recognized and measure in accordance with the guidance in Topic 805 “*business combinations*”; (c) the retained earnings and other equity balances of the legal subsidiary (accounting acquirer) before the business combination; and (d) the amount recognized as issued equity interests in the consolidated financial statements determined by adding the issued equity interest of the legal subsidiary (the accounting acquirer) outstanding immediately before the business combination based on the fair value of the legal parent (accounting acquiree) determined in accordance with the guidance in this topic applicable to business combinations. However, the equity structure (that is, the number and type of equity interest issued) reflects the equity structure of the legal parent (the accounting acquiree), including the equity interests the legal parent issued to effect the combination. Accordingly, the equity structure of the legal subsidiary (the accounting acquirer) is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares of the legal parent (the accounting acquiree) issued in the reverse acquisition.



Pursuant to ASC Paragraphs 805-40-45-4 and 45-5, in calculating the weighted-average number of common shares outstanding (the denominator of the earnings-per-share ("EPS") calculation) during the period in which the reverse acquisition occurs: (a) The number of common shares outstanding from the beginning of that period to the acquisition date shall be computed on the basis of the weighted-average number of common shares of the legal acquirer (accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the merger agreement; and (b) the number of common shares outstanding from the acquisition date to the end of that period shall be the actual number of common shares of the legal acquirer (the accounting acquirer) outstanding during that period. The basic EPS for each comparative period before the acquisition date presented in the consolidated financial statements following a reverse acquisition shall be calculated by dividing (a) by (b): (a) The income of the legal acquirer attributable to common shareholders in each of those periods; and (b) the legal acquirer's historical weighted-average number of common shares outstanding multiplied by the exchange ratio established in the acquisition agreement.

Comparison of the Twelve Months Ended March 31, 2015 and the Twelve Months Ended March 31, 2014

*Revenue*

We have not earned any significant revenues since our inception and we do not anticipate earning revenues in the near future.

*Expenses*

Our expenses for the twelve months ended March 31, 2015 are summarized as follows in comparison to our expenses for twelve months ended March 31, 2014:

	<b>Year Ended March 31,</b>	
	<b>2015</b>	<b>2014</b>
Salaries and related expenses	\$ 584,026	\$ 503,759
Stock-based compensation	304,018	1,295,415
Rent	14,570	22,392
Professional fees	75,000	-
Other general and administrative expenses	275,976	52,003
Depreciation	82,936	84,295
Total	<u>\$ 1,329,026</u>	<u>\$ 1,957,864</u>

Operating expenses decreased \$628,842 from \$1,957,864 for the year ended March 31, 2014 to \$1,329,026 for the year ended March 31, 2015, an decrease of 32%. The primary reason for the decrease is due decline in stock-based compensation, the increase in professional fees and the increase in other general and administrative expenses associated with the reverse acquisition transaction in comparison to the previous year.

*Liquidity and Financial Condition*

As of March 31, 2015, we had cash and cash equivalents on hand of \$220,874 and a working capital deficiency of \$4,013,654.

Private Placement Offering

Between February 13, 2015 and July 22, 2015, we entered into subscription agreements with various accredited investors and multiple closings of a private placement offering of the Company's common stock (the "Offering"). As of July 22, 2015, an aggregate of 2,975,320 shares of common stock had been sold to investors, at a price of \$0.35 per share, for aggregate gross proceeds of \$1,041,363.

### Lines of Credit

We have a working capital line of credit with Community National Bank for \$30,000. The line of credit bears an interest rate of 7.0% and is payable quarterly. The line of credit matured on February 28, 2014, is secured by various assets of the Company's subsidiaries, and is also guaranteed by two directors of the Company. The balance of the line of credit at March 31, 2015 and 2014 was \$27,009 and \$35,430, respectively.

We have a working capital line of credit with Extraco Bank for \$475,000. The line of credit bears an interest rate of 4.0% that is compounded monthly on unpaid balances and is payable monthly. The line of credit matures on March 12, 2016, and is secured by certificates of deposit and letters of credit owned by directors and shareholders of the Company. The balance of the line of credit is \$473,029 at March 31, 2015 and March 31, 2014.

We have additional lines of credit with Extraco Bank for \$100,000 and \$200,000, which were renewed on January 19, 2014 and March 30, 2014, respectively. The lines of credit bear an interest rate of 4.5% that is compounded monthly on unpaid balances and is payable monthly. The lines of credit matured on January 19, 2015 and March 30, 2015, respectively, and are secured by certificates of deposit and letters of credit owned by directors and shareholders of the Company. We are currently in negotiations with Extraco Bank to renew the lines of credit. The balance of the lines of credit was \$278,470 at March 31, 2015 and 2014, respectively.

We have a working capital line of credit with Capital One Bank for \$50,000. The line of credit bears an interest rate of prime plus 3.89 basis points, which totaled 7.14% as of March 31, 2015 and 2014. The line of credit matures on December 12, 2015 and is unsecured. The balance of the line of credit was \$9,890 and \$12,518 at March 31, 2015 and 2014, respectively.

We have a working capital line of credit with Chase Bank for \$25,000. The line of credit bears an interest rate of prime plus 3.55 basis points, which totaled 6.80% as of March 31, 2015 and 2014. The line of credit matures on October 30, 2015, and is secured by assets of the Company's subsidiaries. The balance of the line of credit was \$13,687 and \$0 at March 31, 2015 and 2014, respectively.

### Notes Payable

#### *Baptist Community Services (BCS)*

Pursuant to an assignment agreement dated March 26, 2009, Amarillo National Bank sold and transferred a note to Baptist Community Services (BCS), a shareholder of the Company, in the amount of \$2,004,820. The interest rate under the terms of the agreement is 2.25% and is payable monthly. The note is collateralized by all inventories, accounts, equipment, and all general intangibles related to the Company's shrimp production facility in La Coste, Texas. Payment of the note is also guaranteed by High Plains Christian Ministries Foundation, a shareholder of the Company. The balance of the note at March 31, 2015 and 2014 was \$2,004,820 and is classified as a current liability on the consolidated balance sheets.

Effective December 31, 2008, the Company entered into a subordinated promissory note agreement with BCS for \$70,000 (BCS subordinated note) to provide working capital to pay accrued interest due under the BCS note and other operating expenses. On April 7, 2009, the BCS subordinated note was increased to \$125,000 to provide additional working capital for the Company. The balance of the BCS subordinated note at March 31, 2015 and 2014 was \$2,305,953 and \$2,279,283, respectively, and is classified as a current liability on the consolidated balance sheets. During the years ended March 31, 2015 and 2014, the Company incurred \$27,446 and \$25,478 in interest expense on the subordinated note. At March 31, 2015 and 2014, accrued interest payable was \$101,760 and \$76,984, respectively.

On January 25, 2010, the Company received notice from BCS notifying it that the Company was in default of its obligations to BCS and that both the BCS note and the BCS subordinated note, as well as all accrued interest, fees and expenses, were payable in full. Pursuant to a forbearance agreement dated January 25, 2010, BCS agreed to forbear from exercising any remedies available under the notes until January 25, 2011 or when the Company fails to promptly perform any of its covenants or obligation under the forbearance agreement, whichever occurs first. In 2015, a fifth forbearance agreement was executed extending the forbearance terms to December 31, 2016.

Shareholder Notes

The Company has entered into several working capital notes payable with multiple shareholders and Bill Williams, an officer, a director, and a shareholder of the Company, for a total of \$486,500 since inception. These notes had stock issued in lieu of interest and have no set monthly payment or maturity date. The balance of these notes at March 31, 2015 and 2014 was \$426,404 and \$442,404, respectively, and is classified as a current liability on the consolidated balance sheets. The Company repaid \$16,000 during the year ended March 31, 2015. At March 31, 2015 and 2014, accrued interest payable was \$111,784 and \$76,984, respectively.

In 2009, the Company entered into a note payable to Randall Steele, a shareholder of the Company, for \$50,000. The note bears interest at 6.0% and is payable upon maturity on January 20, 2011. In addition, the Company issued 100,000 shares of common stock for consideration. The shares were valued at the date of issuance at fair market value. The value assigned to the shares of \$50,000 was recorded as increase in common stock and additional paid-in capital and was limited to the value of the note. The assignment of a value to the shares resulted in a financing fee being recorded for the same amount. The note is unsecured. The balance of the note at March 31, 2015 and 2014 was \$50,000, respectively, and is classified as a current liability on the consolidated balance sheets. Interest expense on the note was \$3,025 and \$2,770 during the years ended March 31, 2015 and 2014, respectively. At March 31, 2015 and 2014, accrued interest payable was \$795.

Beginning in 2009, the Company started entering into notes payable with various shareholders of the Company. The notes bear interest at 15.0% and are payable generally twelve months from the date of the note. The notes are collateralized by the shrimp crop attributable to the post larvae (PLs) acquired from the note proceeds. At March 31, 2015 and 2014 the balance of these notes totaled \$35,000 and is classified as current liabilities on the consolidated balance sheets. Interest expense on these notes totaled \$5,250 during the years ended March 31, 2015 and 2014. At March 31, 2015 and 2014, accrued interest payable was \$23,271 and \$18,021, respectively.

Beginning in 2010, the Company started entering into several working capital notes payable with various shareholders of the Company for a total of \$290,000 and bearing interest at 8%. The balance of these notes at March 31, 2015 and 2014 was \$49,550 and \$30,000, respectively, and is classified as a current liability on the consolidated balance sheets. At March 31, 2015 and 2014, accrued interest payable was \$400 and \$400, respectively.

Working Capital Deficiency

	<b>March 31, 2015</b>	<b>March 31, 2014</b>
Current assets	\$ 224,077	\$ 14,880
Current liabilities	4,237,731	4,061,215
Working capital deficiency	<u>\$ 4,013,654</u>	<u>\$ 4,046,335</u>

The increase in current assets is mainly due to an increase of \$209,125 in cash. The increase in current liabilities is mainly due to a \$40,826 increase in related party accrued interest.

Cash Flows

	<b>Year Ended March 31,</b>	
	<b>2015</b>	<b>2014</b>
Net cash used in operating activities	\$ (1,200,607)	\$ (914,381)
Net cash used in investing activities	(27,105)	(88,684)
Net cash provided by financing activities	1,436,837	944,280
Increase (decrease) in cash and cash equivalents	<u>\$ 209,125</u>	<u>\$ (58,785)</u>

The increase in net cash used in operating activities in the twelve months ended March 31, 2015, compared to the same period last year is mainly related to an increase in operating expenses. The increase in cash provided by financing activities is due to an increase in proceeds from the sale of our common stock.

Given our cash position of approximately \$240,000 as of July 16, 2015, management believes that our cash on hand and working capital are sufficient to meet our current anticipated cash requirements through November 2015.

#### Future Financing

We will require additional funds to implement our growth strategy for our business. In addition, while we have received capital from various private placements that have enabled us to fund our operations, these funds have been largely used to develop our processes, although additional funds are needed for other corporate operational and working capital purposes. Therefore, we will need to raise an additional \$1,500,000 to cover all of our operational expenses over the next 12 months. These funds may be raised through equity financing, debt financing, or other sources, which may result in further dilution in the equity ownership of our shares. There can be no assurance that additional financing will be available to us when needed or, if available, that it can be obtained on commercially reasonable terms. If we are not able to obtain the additional financing on a timely basis should it be required, or generate significant material revenues from operations, we will not be able to meet our other obligations as they become due and we will be forced to scale down or perhaps even cease our operations.

#### *Going Concern*

The audited consolidated financial statements contained in this annual report on Form 10-K have been prepared assuming that the Company will continue as a going concern. The Company has accumulated losses through the period to March 31, 2015 of \$30,041,046 as well as negative cash flows from operating activities. Presently, the Company does not have sufficient cash resources to meet its plans in the twelve months following March 31, 2015. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is in the process of evaluating various financing alternatives in order to finance our research and development activities and general and administrative expenses. These alternatives include raising funds through public or private equity markets and either through institutional or retail investors. Although there is no assurance that the Company will be successful with our fund raising initiatives, management believes that the Company will be able to secure the necessary financing as a result of ongoing financing discussions with third party investors and existing shareholders.

The consolidated financial statements do not include any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to obtain additional financing as may be required and ultimately to attain profitability. If the Company raises additional funds through the issuance of equity, the percentage ownership of current shareholders could be reduced, and such securities might have rights, preferences or privileges senior to its common stock. Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or are not available on acceptable terms, the Company may not be able to take advantage of prospective business endeavors or opportunities, which could significantly and materially restrict its future plans for developing its business and achieving commercial revenues. If the Company is unable to obtain the necessary capital, the Company may have to cease operations.

#### *Off-Balance Sheet Arrangements*

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

#### *Critical Accounting Policies and Estimates*

Our significant accounting policies are more fully described in the notes to our consolidated financial statements included herein for the fiscal year ended March 31, 2015. We believe that the accounting policies below are critical for one to fully understand and evaluate our financial condition and results of operations.

### *Fair Value Measurement*

The fair value measurement guidance clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in the valuation of an asset or liability. It establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the fair value measurement guidance are described below:

*Level 1* - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;

*Level 2* - Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; or

*Level 3* - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

### *Volatility in Stock-Based Compensation*

The volatility is based on historical volatilities of companies in comparable stages as well as the historical volatility of companies in the industry and, by statistical analysis of the daily share-pricing model. The volatility of stock-based compensation granted after March 31, 2015 is based on historical volatility of the Company for the last two years.

### *Recently Adopted Accounting Pronouncements*

In June 2014, the FASB issued ASU 2014-10, Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation (“ASU 2014-10”). The amendments in ASU 2014-10 remove an exception provided to development stage entities in Topic 810, Consolidation, for determining whether an entity is a variable interest entity. The revised consolidation standards are effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period, with early application permitted. The Company has elected to early adopt the provisions of ASU 2014-10 for these consolidated financial statements.

In August 2014, the FASB issued ASU 2014-15, Presentation of Financial Statements-Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern. ASU 2014-15 defines management’s responsibility to evaluate whether there is substantial doubt about an organization’s ability to continue as a going concern and to provide related footnote disclosures. The amendments in this ASU are effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter, although early adoption is permitted. This guidance is not expected to have an impact on the financial statements of the Company. If any event occurs in future periods that could affect our ability to continue as going concern, we will provide appropriate disclosures as required by ASU 2014-15.

### **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not Applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

NATURALSHRIMP INCORPORATED  
CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2015

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Shareholders of

**NATURALSHRIMP INCORPORATED**

We have audited the accompanying consolidated balance sheets of NaturalShrimp Incorporated (the "Company") as of March 31, 2015 and 2014 and the related consolidated statements of operations, changes in stockholders' deficit and cash flows for the years then ended. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audits of it internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing no opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2015 and 2014 and the results of operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company had an accumulated deficit at March 31, 2015, a net loss and net cash used in operating activities for the years then ended. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regards to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Turner Stone & Company L.L.P

Dallas, Texas  
July 27, 2015

**NATURALSHRIMP INCORPORATED**  
**CONSOLIDATED BALANCE SHEETS**

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 220,874	\$ 11,749
Accounts receivable	3,203	3,131
Total current assets	<u>224,077</u>	<u>14,880</u>
Fixed assets		
Land	202,293	202,293
Buildings	1,328,161	1,328,161
Machinery and equipment	893,234	866,129
Autos and trucks	14,063	14,063
Furniture and fixtures	22,060	22,060
Accumulated depreciation	(1,086,464)	(1,003,528)
Fixed assets, net	<u>1,373,347</u>	<u>1,429,178</u>
Other assets		
Deposits	11,500	500
Total other assets	<u>11,500</u>	<u>500</u>
Total assets	<u>\$ 1,608,924</u>	<u>\$ 1,444,558</u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities		
Accounts payable	\$ 181,759	\$ 196,091
Accrued interest - related parties	238,010	197,184
Other accrued expenses	149,421	31,806
Lines of credit	774,625	764,017
Notes payable - related parties	560,954	557,404
Notes payable in default - related party	2,305,953	2,279,283
Current portion of long-term debt	27,009	35,430
Total current liabilities	<u>4,237,731</u>	<u>4,061,215</u>
Total liabilities	<u>4,237,731</u>	<u>4,061,215</u>
Commitments and contingencies (Note 10)		
Stockholders deficit		
Common stock, \$0.01 par value, 100,000,000 shares authorized 86,777,382 and 9,700,000 shares issued and outstanding at March 31, 2015 and 2014, respectively	8,678	970
Additional paid in capital	24,078,062	22,442,094
Subscription stock receivable	(25,001)	-
Accumulated deficit	(26,690,546)	(25,059,721)
Total stockholders' deficit	<u>(2,628,807)</u>	<u>(2,616,657)</u>
Total liabilities and stockholders' deficit	<u>\$ 1,608,924</u>	<u>\$ 1,444,558</u>

The accompanying notes are an integral part of these consolidated financial statements.



**NATURALSHRIMP INCORPORATED**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	For the years ended	
	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Sales	\$ 924	\$ 12,862
Cost of sales	158,825	225,414
Gross loss	<u>(157,901)</u>	<u>(212,552)</u>
Operating expenses		
General and administrative	1,246,090	1,873,569
Depreciation	82,936	84,295
Total operating expenses	<u>1,329,026</u>	<u>1,957,864</u>
Net operating (loss) before other income (expense)	<u>(1,486,927)</u>	<u>(2,170,416)</u>
Other income (expense)		
Interest expense	(143,898)	(216,549)
Total other income (expense)	<u>(143,898)</u>	<u>(216,549)</u>
Loss before income taxes	(1,630,825)	(2,386,965)
Income taxes	-	-
Net loss	<u>\$ (1,630,825)</u>	<u>\$ (2,386,965)</u>
EARNINGS PER SHARE (Basic)	<u>\$ (0.07)</u>	<u>\$ (0.25)</u>
WEIGHTED AVERAGE SHARES OUTSTANDING (Basic)	<u>22,321,191</u>	<u>9,700,000</u>

The accompanying notes are an integral part of these consolidated financial statements.

**NATURALSHRIMP INCORPORATED**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT**

	Common stock		Additional paid in Capital	Stock Receivable	Accumulated deficit	Total stockholders' deficit
	Shares	Amount				
Balance March 31, 2013	97,000,000	\$ 9,700	\$ 19,726,270		\$ (22,672,756)	\$ (2,936,786)
Effect of 1-for-10 reverse split on October 29, 2014	(87,300,000)	(8,730)	8,730			-
As restated, March 31, 2013	9,700,000	970	19,735,000	-	(22,672,756)	(2,936,786)
Effect of the capital transactions in NaturalShrimp Holdings, Inc.:						
Issuance of shares for cash			1,220,393			1,220,393
Issuance of shares for compensation			1,432,944			1,432,944
Dividends			53,757			53,757
Net loss					(2,386,965)	(2,386,965)
Balance March 31, 2014	9,700,000	970	22,442,094	-	(25,059,721)	(2,616,657)
Effect of the capital transactions in NaturalShrimp Holdings, Inc.:						
Issuance of shares for cash prior to reverse acquisition			911,101			911,101
Issuance of shares for compensation			304,018			304,018
Dividends			8,550			8,550
Effect of reverse acquisition on January 29, 2015:						
Shares issued to Natural Shrimp Holding Inc.	75,520,240	7,552	(7,552)			-
Effect of reverse acquisition MYDR accrued expenses			(124,994)			(124,994)
Issuance of shares for cash	1,485,712	149	519,851			520,000
Shares issued but proceeds receivable at March 31, 2015	71,430	7	24,994	(25,001)		-
Net loss					(1,630,825)	(1,630,825)
Balance March 31, 2015	<u>86,777,382</u>	<u>\$ 8,678</u>	<u>\$ 24,078,062</u>	<u>\$ (25,001)</u>	<u>\$ (26,690,546)</u>	<u>\$ (2,628,807)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**NATURALSHRIMP INCORPORATED**  
**CONSOLIDATED STATEMENTS OF CASH FLOW**

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (1,630,825)	\$ (2,386,965)
<b>Adjustments to reconcile net loss to net cash used in operating activities</b>		
Stock based compensation	304,018	1,432,944
Shares issued for dividends	8,550	53,757
Interest added to long term debt	26,670	-
Depreciation expense	82,936	84,295
<b>Changes in operating assets and liabilities:</b>		
Accounts receivable	(72)	(2,419)
Other Assets	(11,000)	-
Accounts payable	(14,332)	2,681
Accrued expenses	(7,379)	(127,220)
Accounts payable - Related parties	40,826	28,546
	<u>(1,200,608)</u>	<u>(914,381)</u>
<b>CASH USED IN OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash paid for purchase of fixed assets	(27,105)	(88,684)
	<u>(27,105)</u>	<u>(88,684)</u>
<b>CASH USED IN INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowing on debt	19,550	70,000
Payment on long-term debt		(17,211)
Payment of related party debt	(16,000)	(4,998)
Repayment of short-term debt	(8,421)	-
Line of credit	10,608	(323,904)
Proceeds from sale of stock pre reverse acquisition	911,101	1,220,393
Proceeds from sale of stock post reverse acquisition	520,000	-
	<u>1,436,838</u>	<u>944,280</u>
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		
<b>NET CHANGE IN CASH</b>	209,125	(58,785)
<b>CASH AT BEGINNING OF YEAR</b>	11,749	70,534
<b>CASH AT YEAR END</b>	<u>\$ 220,874</u>	<u>\$ 11,749</u>
<b>INTEREST EXPENSE</b>	<u>\$ 76,402</u>	<u>\$ 74,691</u>
<b>NON-CASH TRANSACTIONS</b>		
Shares issued receivable	25,001	-
Debt converted into common stock	-	113,312

The accompanying notes are an integral part of these consolidated financial statements.

**NATURALSHRIMP INCORPORATED**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 – NATURE OF THE ORGANIZATION AND BUSINESS**

On November 26, 2014, Multiplayer Online Dragon, Inc., a Nevada corporation (“MYDR”), entered into an Asset Purchase Agreement (the “Agreement”) with NaturalShrimp Holdings, Inc. a Delaware corporation (“NSH” or the “Company”), pursuant to which MYDR was to acquire substantially all of the assets of NSH which assets consist primarily of all of the issued and outstanding shares of capital stock of NaturalShrimp Corporation (“NSC”), a Delaware corporation, and NaturalShrimp Global, Inc. (“NS Global”), a Delaware corporation, and certain real property located outside of San Antonio, Texas (the “Assets”).

On January 30, 2015, MYDR consummated the acquisition of the Assets pursuant to the Agreement. In accordance with the terms of the Agreement, MYDR effected a 1 for 10 reverse stock split, decreasing the issued and outstanding shares of our common stock from 97,000,000 to 9,700,000 and MYDR issued 75,520,240 shares of its common stock to NSH as consideration for the Assets. As a result of the transaction, NSH acquired 88.62% of MYDR’s issued and outstanding shares of common stock, NSC and NS Global became MYDR’s wholly-owned subsidiaries, and MYDR changed its principal business to a global shrimp farming company. All per share amounts reflected hereafter give effect to the 1-for-10 reverse split.

As a result of the controlling financial interest of the former stockholders of NSH, for financial statement reporting purposes, the asset acquisition has been treated as a reverse acquisition with NSH deemed the accounting acquirer and the Company deemed the accounting acquiree under the acquisition method of accounting in accordance with ASC 805-10-55 of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The reverse acquisition is deemed a capital transaction and the net assets of NSH (the accounting acquirer) are carried forward to the Company (the legal acquirer and the reporting entity) at their carrying value before the acquisition. The acquisition process utilizes the capital structure of the Company and the assets and liabilities of NSH which are recorded at their historical cost. The equity of the Company is the historical equity of NSH.

In connection with MYDR’s receipt of approval from the Financial Industry Regulatory Authority (“FINRA”), effective March 3, 2015, MYDR amended its Articles of Incorporation to change its name to “NaturalShrimp Incorporated” (the “Company”).

The Company relied on accounting guidance ASC 805-40 “Business Combinations – Reverse Acquisitions” to determine that, for the periods April 1, 2013 through March 31, 2015, NaturalShrimp Holding, Inc. is the accounting acquirer.

The Company has two wholly owned subsidiaries including NaturalShrimp Corporation and NaturalShrimp Global, Inc.

NaturalShrimp Corporation (NSC) was incorporated on August 12, 2005 under the laws of the State of Delaware and is a wholly-owned subsidiary of the Company. NSC merged with NaturalShrimp Corporation (a Texas corporation) on September 6, 2005 pursuant to an Agreement and Plan of Merger (NSC Agreement). Under the NSC Agreement, common stock changed from no par value to \$0.01 par value and the number of shares authorized for issuance decreased to 1,000 shares. On March 24, 2008, NSC merged with NaturalShrimp San Antonio, L.P (NSSA) (a Texas limited partnership) pursuant to an Agreement and Plan of Merger (NSSA Agreement). NSC continued to exist as the surviving corporation. NSC is an agro-tech company that grows and sells shrimp in an indoor controlled production facility.

NaturalShrimp Global (NSG), formerly NaturalShrimp International Inc., was incorporated on August 12, 2005, under the laws of the State of Delaware and is a wholly-owned subsidiary of the Company. NSG merged with NaturalShrimp International, Inc. (a Texas Corporation incorporated November 12, 1999, as Quantum Access Corporation) pursuant to an Agreement and Plan of Merger (NSG Agreement) dated September 6, 2005. Under the NSG Agreement, common stock changed from no par value to \$0.01 par value and the number of shares authorized for issuance decreased to 1,000 shares. NSG continued to exist as the surviving corporation. NSG was created for the purpose of establishing and maintaining all of the Company’s international joint ventures.

### *Nature of the Business*

NaturalShrimp Incorporated is a global shrimp farming company that has developed a technology to produce fresh, gourmet-grade shrimp reliably and economically in an indoor, re-circulating, saltwater facility. Our eco-friendly, bio-secure design does not rely on ocean water; it recreates the natural ocean environment allowing for high-density production which can be replicated anywhere in the world.

Our self-contained shrimp aquaculture system allows for the production of Pacific White (*Litopenaeus vannamei*, formerly *Penaeus vannamei*) shrimp in an ecologically controlled fully contained and independent production system without the use of antibiotics or toxic chemicals.

The Company has developed several proprietary technology assets, including a knowledge base that allows the production of commercial quantities of shrimp in a closed system with a computer monitoring system that automates, monitors and maintains proper levels of oxygen, salinity and temperature for optimal shrimp production.

Our research and development facilities are located outside of San Antonio, Texas, and we hold a minority interest in a Norwegian company that owns and operates a similar shrimp production facility in Medina del Campo, Spain.

### *Vibrio Suppression Technology*

Historically, efforts to raise shrimp in a high-density, closed system at the commercial level have been met with either modest success or outright failure through “BioFloc Technology”. Infectious agents such as parasites, bacteria and viruses are the most damaging and most difficult to control. Bacterial infection can in some cases be combated through the use of antibiotics (although not always), and in general the use of antibiotics is considered undesirable and counter to “green” cultivation practices. Viruses can be even worse in that they are immune to antibiotics. Once introduced to a shrimp population, viruses can wipe out entire farms and shrimp populations, even with intense probiotic applications.

Our primary solution against infectious agents is our “Vibrio Suppression Technology”. We believe this system creates higher sustainable densities, consistent production, improved growth and survival rates and improved food conversion without the use of antibiotics, probiotics or unhealthy anti-microbial chemicals. Vibrio Suppression Technology helps to exclude and suppress harmful organisms that usually destroy “BioFloc” and other enclosed technologies.

### *Going Concern*

The accompanying condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, assuming we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. For the year ended March 31, 2015, the Company incurred losses from operations of \$4,981,325. At March 31, 2015, the Company had an accumulated deficit of \$30,041,046 and a working capital deficit of \$3,896,161. The Company’s ability to continue as a going concern is dependent on our ability to raise the required additional capital or debt financing to meet short and long-term operating requirements. During the 2015 fiscal year, the Company received net cash proceeds of \$1,431,100 from the additional sales of common stock. Management believes that private placements of equity capital and/or additional debt financing will be needed to fund our long-term operating requirements. The Company may also encounter business endeavors that require significant cash commitments or unanticipated problems or expenses that could result in a requirement for additional cash. If the Company raises additional funds through the issuance of equity or convertible debt securities, the percentage ownership of our current shareholders could be reduced, and such securities might have rights, preferences or privileges senior to our common stock. Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or are not available on acceptable terms, the Company may not be able to take advantage of prospective business endeavors or opportunities, which could significantly and materially restrict our operations. We are continuing to pursue external financing alternatives to improve our working capital position. If the Company is unable to obtain the necessary capital, the Company may have to cease operations.

The Company plans to improve the growth rate of the shrimp and the environmental conditions of its production facilities. Management also plans to acquire a hatchery in which the Company can better control the environment in which to develop the post larvae. If management is unsuccessful in these efforts, discontinuance of operations is possible. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### *Basis of Presentation*

The consolidated financial statements are prepared in conformity with United States generally accepted accounting principles (GAAP). The Company uses as guidance Accounting Standard Codification (ASC) as established by the Financial Accounting Standards Board (FASB).

### *Consolidation*

The consolidated financial statements include the accounts of NaturalShrimp Incorporated and its wholly-owned subsidiaries, NaturalShrimp Corporation and NaturalShrimp Global. All significant intercompany accounts and transactions have been eliminated in consolidation.

### *Reverse Acquisitions*

#### Identification of the Accounting Acquirer

The Company considers factors in ASC paragraphs 805-10-55-10 through 55-15 in identifying the accounting acquirer. The Company uses the existence of a controlling financial interest to identify the acquirer—the entity that obtains control of the acquiree. Other pertinent facts and circumstances also shall be considered in identifying the acquirer in a business combination effected by exchanging equity interests, including the following: (a) The relative voting rights in the combined entity after the business combination. The acquirer usually is the combining entity whose owners as a group retain or receive the largest portion of the voting rights in the combined entity taking into consideration the existence of any unusual or special voting arrangements and options, warrants, or convertible securities; (b) the existence of a large minority voting interest in the combined entity if no other owner or organized group of owners has a significant voting interest. The acquirer usually is the combining entity whose single owner or organized group of owners holds the largest minority voting interest in the combined entity; (c) the composition of the governing body of the combined entity. The acquirer usually is the combining entity whose owners have the ability to elect or appoint or to remove a majority of the members of the governing body of the combined entity; (d) the composition of the senior management of the combined entity. The acquirer usually is the combining entity whose former management dominates the management of the combined entity; and (e) the terms of the exchange of equity interests. The acquirer usually is the combining entity that pays a premium over the pre-combination fair value of the equity interests of the other combining entity or entities. The acquirer usually is the combining entity whose relative size (measured in, for example, assets, revenues, or earnings) is significantly larger than that of the other combining entity or entities.

Pursuant to ASC Paragraph 805-40-05-2, as one example of a reverse acquisition, a private operating entity may arrange for a public entity to acquire its equity interests in exchange for the equity interests of the public entity. In this situation, the public entity is the legal acquirer because it issued its equity interests, and the private entity is the legal acquiree because its equity interests were acquired. However, application of the guidance in paragraphs 805-10-55-11 through 55-15 results in identifying: (a) The public entity as the acquiree for accounting purposes (the accounting acquiree); and (b) the private entity as the acquirer for accounting purposes (the accounting acquirer).

#### Measuring the Consideration Transferred and Non-controlling Interest

Pursuant to ASC Paragraphs 805-40-30-2 and 30-3 in a reverse acquisition, the accounting acquirer usually issues no consideration for the acquiree. Instead, the accounting acquiree usually issues its equity shares to the owners of the accounting acquirer. Accordingly, the acquisition-date fair value of the consideration transferred by the accounting acquirer for its interest in the accounting acquiree is based on the number of equity interests the legal subsidiary would have had to issue to give the owners of the legal parent the same percentage equity interest in the combined entity that results from the reverse acquisition. The fair value of the number of equity interests calculated in that way can be used as the fair value of consideration transferred in exchange for the acquiree. The assets and liabilities of the legal acquiree are measured and recognized in the consolidated financial statements at their pre-combination carrying amounts (see paragraph 805-40-45-2(a)). Therefore, in a reverse acquisition the non-controlling interest reflects the non-controlling shareholders' proportionate interest in the pre-combination carrying amounts of the legal acquiree's net assets even though the non-controlling interests in other acquisitions are measured at their fair values at the acquisition date.

### *Presentation of Consolidated Financial Statements Post Reverse Acquisition*

Pursuant to ASC Paragraphs 805-40-45-1 and 45-2 consolidated financial statements following a reverse acquisition are issued under the name of the legal parent (accounting acquirer) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer), with one adjustment, which is to retroactively adjust the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree. That adjustment is required to reflect the capital of the legal parent (the accounting acquiree). Comparative information presented in those consolidated financial statements also is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree). The consolidated financial statements reflect all of the following: (a) The assets and liabilities of the legal subsidiary (the accounting acquirer) recognized and measured at their pre-combination carrying amounts; (b) the assets and liabilities of the legal parent (the accounting acquiree) recognized and measured in accordance with the guidance in Topic 805 "business combinations"; (c) the retained earnings and other equity balances of the legal subsidiary (accounting acquirer) before the business combination; (d) the amount recognized as issued equity interests in the consolidated financial statements determined by adding the issued equity interest of the legal subsidiary (the accounting acquirer) outstanding immediately before the business combination to the fair value of the legal parent (accounting acquiree) determined in accordance with the guidance in this topic applicable to business combinations. However, the equity structure (that is, the number and type of equity interests issued) reflects the equity structure of the legal parent (the accounting acquiree), including the equity interests the legal parent issued to effect the combination. Accordingly, the equity structure of the legal subsidiary (the accounting acquirer) is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares of the legal parent (the accounting acquiree) issued in the reverse acquisition; and (e) the non-controlling interest's proportionate share of the legal subsidiary's (accounting acquirer's) pre-combination carrying amounts of retained earnings and other equity interests as discussed in paragraphs 805-40-25-2 and 805-40-30-3.

Pursuant to ASC Paragraphs 805-40-45-4 and 45-5, in calculating the weighted-average number of common shares outstanding (the denominator of the earnings-per-share ("EPS") calculation) during the period in which the reverse acquisition occurs: (a) The number of common shares outstanding from the beginning of that period to the acquisition date shall be computed on the basis of the weighted-average number of common shares of the legal acquiree (accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the merger agreement; and (b) the number of common shares outstanding from the acquisition date to the end of that period shall be the actual number of common shares of the legal acquirer (the accounting acquiree) outstanding during that period. The basic EPS for each comparative period before the acquisition date presented in the consolidated financial statements following a reverse acquisition shall be calculated by dividing (a) by (b): (a) The income of the legal acquiree attributable to common shareholders in each of those periods; and (b) the legal acquiree's historical weighted-average number of common shares outstanding multiplied by the exchange ratio established in the acquisition agreement.

### *Use of Estimates*

Preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### *Off Balance Sheet Arrangements*

As of March 31, 2015, the Company did not have any off-balance sheet activities (including the use of structured finance or special purpose entities) or any trading activities in non-exchange traded commodity contracts that have a current or future effect on our financial condition, changes in the financial condition, revenues or expenses, results of operation, liquidity, capital expenditures or capital resources that are material to our investors.

### *Basic and Fully Diluted Net Loss per Common Share*

Basic and diluted earnings or loss per share (“EPS”) amounts in the consolidated financial statements are computed in accordance Accounting Standard Codification (ASC) 260 – 10 “*Earnings per Share*”, which establishes the requirements for presenting EPS. Basic EPS is based on the weighted average number of common shares outstanding. Diluted EPS is based on the weighted average number of common shares outstanding and dilutive common stock equivalents. Basic EPS is computed by dividing net income or loss available to common stockholders (numerator) by the weighted average number of common shares outstanding (denominator) during the period. Potentially dilutive securities were excluded from the calculation of diluted loss per share, because their effect would be anti-dilutive.

### *Fair Value Measurements*

ASC Topic 820, “*Fair Value Measurements and Disclosures*”, requires that certain financial instruments be recognized at their fair values at our balance sheets. However, other financial instruments, such as debt obligations, are not required to be recognized at their fair values, but GAAP provides an option to elect fair value accounting for these instruments. GAAP requires the disclosure of the fair values of all financial instruments, regardless of whether they are recognized at their fair values or carrying amounts in our balance sheets. For financial instruments recognized at fair value, GAAP requires the disclosure of their fair values by type of instrument, along with other information, including changes in the fair values of certain financial instruments recognized in income or other comprehensive income. For financial instruments not recognized at fair value, the disclosure of their fair values is provided below under “*Financial Instruments*.”

Nonfinancial assets, such as property, plant and equipment, and nonfinancial liabilities are recognized at their carrying amounts in the Company’s balance sheets. GAAP does not permit nonfinancial assets and liabilities to be remeasured at their fair values. However, GAAP requires the remeasurement of such assets and liabilities to their fair values upon the occurrence of certain events, such as the impairment of property, plant and equipment. In addition, if such an event occurs, GAAP requires the disclosure of the fair value of the asset or liability along with other information, including the gain or loss recognized in income in the period the remeasurement occurred.

At March 31, 2015 and 2014, the Company did not have any assets or liabilities that would be required to be measured under ASC Topic 820.

### *Financial Instruments*

The Company’s financial instruments include cash and cash equivalents, receivables, payables, and debt and are accounted for under the provisions of ASC Topic 825, “*Financial Instruments*”. The carrying amount of these financial instruments, with the exception of discounted debt, as reflected in the consolidated balance sheets approximates fair value.

### *Cash and Cash Equivalents*

For the purpose of the statements of cash flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. There were no cash equivalents at March 31, 2015 and 2014.

### *Inventories*

Shrimp inventories are stated at the lower of cost (first-in, first-out method) or market. Purchased shrimp (Post Larvae or “PL”) are carried at purchase costs plus costs of maintenance through the balance sheet dates. Inventories were not material at March 31, 2015 and 2014.



#### *Fixed Assets*

Equipment is carried at fair value at the date of reverse acquisition or cost and is depreciated over the estimated useful lives of the related assets. Depreciation on buildings is computed using the straight-line method, while depreciation on all other fixed assets is computed using the Modified Accelerated Cost Recovery System (MACRS) method. MACRS does not materially differ from GAAP. Estimated useful lives are as follows:

Autos and Trucks	5 years
Buildings	27.5 – 39 years
Other Depreciable Property	5 – 10 years
Furniture and Fixtures	3 – 10 years

Maintenance and repairs are charged to expense as incurred. At the time of retirement or other disposition of equipment, the cost and accumulated depreciation will be removed from the accounts and the resulting gain or loss, if any, will be reflected in operations.

The consolidated statement of operations reflects depreciation expense of \$82,936 and \$84,295 for the years ended March 31, 2015 and 2014, respectively.

#### *Revenue Recognition*

Revenues for products sold are recorded upon delivery of the products to customers, which is the point at which title to the products is transferred, and when payment has either been received or collection is reasonably assured. The Company has no warranty or return policy as all sales are final. The Company extends unsecured credit to its customers for amounts invoiced.

#### *Bad Debts*

Uncollectible accounts receivable are written off at the time amounts are determined to be a loss to the Company. An allowance for doubtful accounts receivable is maintained as necessary, based upon specific accounts receivable outstanding determined to be uncollectible and the appropriate charge is made to operations. As of March 31, 2015 and 2014, no allowance for doubtful accounts was deemed necessary.

#### *Debt Discounts*

The Company amortizes discounts on debt over the life of the notes using the effective interest method.

#### *Shipping and Handling*

The Company reports shipping and handling charges to customers as part of sales and the associated expense as part of cost of sales.

#### *Environmental Costs*

Environmental expenditures that relate to current operations are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to current or future revenue generation, are expensed. Liabilities are recorded when environmental assessments and/or remedial efforts are probable, and the cost can be reasonably estimated. Generally, the timing of these accruals coincides with the earlier of completion of a feasibility study or the Company's commitments to a plan of action based on the then known facts.

As of March 31, 2015, there have been no environmental expenses incurred by the Company.

### *Income Taxes*

Deferred income tax assets and liabilities are computed for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

### *Stock-Based Compensation*

The Company accounts for stock-based compensation to employees in accordance with ASC 718. “*Stock-based compensation to employees*” is measured at the grant date, based on the fair value of the award, and is recognized as expense over the requisite employee service period. The Company accounts for stock-based compensation to other than employees in accordance with ASC 505-50 “*Equity instruments issued to other than employees*” and are valued at the earlier of a commitment date or upon completion of the services, based on the fair value of the equity instruments and is recognized as expense over the service period. The Company estimates the fair value of stock-based payments using the Black-Scholes option-pricing model for common stock options and warrants and the closing price of the Company’s common stock for common share issuances. Once the stock is issued the appropriate expense account is charged. All stock-based compensation currently issued is 100% vested.

As of March 31, 2015 and March 31, 2014, there have been no option expenses incurred by the Company.

### *Impairment*

The Company utilized the guidance provided by ASC 350-20-35 “*Intangibles – Goodwill and Other*” to assess value of Goodwill. Under the guidance Goodwill is excluded from amortization are assessed at least annually to ascertain whether impairment occurred. Management considers that impairment may be estimated by applying factors based on certain trigger events including historical experience and other data, operating activities and forecasted cash flow. In addition, management assesses the availability of financing on commercially viable terms in order to finance the development of the property.

### *Recent Accounting Standards*

During the year ended March 31, 2015 and through July 16, 2015, there were several new accounting pronouncements issued by the Financial Accounting Standards Board. Each of these pronouncements, as applicable, has been or will be adopted by the Company. Management does not believe the adoption of any of these accounting pronouncements has had or will have a material impact on the Company’s consolidated financial statements.

In June 2014, the FASB issued ASU No. 2014-10, Development Stage Entities (ASC Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation. The amendments in this update remove the definition of a development stage entity from the Master Glossary of the Accounting Standards Codification, thereby removing the financial reporting distinction between development stage entities and other reporting entities from GAAP. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception to-date information in the statements of income, cash flows, and shareholder equity, (2) label the financial statements as those of a development stage entity, (3) disclose a description of the development stage activities in which the entity is engaged, and (4) disclose in the first year in which the entity is no longer a development stage that in prior years it had been in the development stage. The Company adopted ASU No. 2014-10 for the fiscal year ended March 31, 2015.

In August 2014, the FASB issued ASU No. 2014-15, Presentation of Financial Statements— Going Concern (Subtopic 205-40), Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern.” Continuation of a reporting entity as a going concern is presumed as the basis for preparing financial statements unless and until the entity’s liquidation becomes imminent. Preparation of financial statements under this presumption is commonly referred to as the going concern basis of accounting. Currently, there is no guidance under US GAAP about management’s responsibility to evaluate whether there is substantial doubt about an entity’s ability to continue as a going concern or to provide related footnote disclosures. The amendments in this Update provide that guidance. In doing so, the amendments should reduce diversity in the timing and content of footnote disclosures. The amendments require management to assess an entity’s ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards. Specifically, the amendments (1) provide a definition of the term substantial doubt, (2) require an evaluation every reporting period including interim periods, (3) provide principles for considering the mitigating effect of management’s plans, (4) require certain disclosures when substantial doubt is alleviated as a result of consideration of management’s plans, (5) require an express statement and other disclosures when substantial doubt is not alleviated, and (6) require an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). For the period ended September 30, 2014, management evaluated the Company’s ability to continue as a going concern and concluded that substantial doubt has not been alleviated about the Company’s ability to continue as a going concern. While the Company continues to explore further significant sources of financing, management’s assessment was based on the uncertainty related to the amount and nature of such financing over the next twelve months.

### NOTE 3 – LINES OF CREDIT

The Company has a working capital line of credit with Community National Bank. On August 28, 2013, the Company renewed the line of credit for \$30,000. The line of credit bears an interest rate of 7.0% and is payable quarterly. The line of credit matured on February 28, 2014, is secured by various assets of the Company's subsidiaries, and is also guaranteed by two directors of the Company. The balance of the line of credit at March 31, 2015 and 2014 was \$27,009 and \$35,430, respectively.

The Company also has a working capital line of credit with Extraco Bank. On March 12, 2014, the Company renewed the line of credit for \$475,000. The line of credit bears an interest rate of 4.0% that is compounded monthly on unpaid balances and is payable monthly. The line of credit matures on March 12, 2016, and is secured by certificates of deposit and letters of credit owned by directors and shareholders of the Company. The balance of the line of credit is \$473,029 at March 31, 2015 and March 31, 2014.

The Company has additional lines of credit with Extraco Bank for \$ \$100,000 and \$200,000, which were renewed on January 19, 2014 and March 30, 2014, respectively. The lines of credit bear an interest rate of 4.5% that is compounded monthly on unpaid balances and is payable monthly. The lines of credit matured on January 19, 2015 and March 30, 2015, respectively, and are secured by certificates of deposit and letters of credit owned by directors and shareholders of the Company. The Company is currently in negotiations with Extraco Bank to renew the lines of credit. The balance of the lines of credit was \$278,470 at March 31, 2015 and 2014, respectively.

The Company also has a working capital line of credit with Capital One Bank for \$50,000. The line of credit bears an interest rate of prime plus 3.89 basis points, which totaled 7.14% as of March 31, 2015 and 2014. The line of credit matures on December 12, 2015 and is unsecured. The balance of the line of credit was \$9,890 and \$12,518 at March 31, 2015 and 2014, respectively.

The Company also has a working capital line of credit with Chase Bank for \$25,000. The line of credit bears an interest rate of prime plus 3.55 basis points, which totaled 6.80% as of March 31, 2015 and 2014. The line of credit matures on October 30, 2015, and is secured by assets of the Company's subsidiaries. The balance of the line of credit was \$13,687 and \$0 at March 31, 2015 and 2014, respectively.

### NOTE 4 – STOCKHOLDERS' DEFICIT

#### *Common Stock*

On January 30, 2015, the NSH consummated the sale of substantially all of its assets to Multiplayer Online Dragon, Inc. ("MYDR"), a publicly-held Nevada corporation, pursuant to an Asset Purchase Agreement ("Agreement") dated November 26, 2014 by and between the Company and MYDR. In accordance with the terms of the Agreement, NSH received 75,520,240 shares of MYDR as consideration for the Assets, which consist primarily of certain real property located near San Antonio, Texas. As a result of the sale, NSH owns approximately 89% of MYDR's issued and outstanding shares of common stock. The Company evaluated this transaction using ASC 805-40 "*Business Combinations Reverse Acquisitions*". Due to the change in control of the Company, this transaction was accounted for as a reverse acquisition in accordance with ASC No. 805-40 whereby NSH was considered the accounting acquirer.

For the years ended March 31, 2015 and 2014, NSH, sold to equity investors \$911,101 and \$1,220,393, respectively, which has been included in additional paid-in capital.

On November 26, 2014, Multiplayer Online Dragon, Inc., a Nevada corporation (“MYDR”), entered into an Asset Purchase Agreement (the “Agreement”) with NaturalShrimp Holdings, Inc. a Delaware corporation (“NSH”), pursuant to which MYDR was to acquire substantially all of the assets of NSH which assets consist primarily of all of the issued and outstanding shares of capital stock of NaturalShrimp Corporation (“NSC”), a Delaware corporation, and NaturalShrimp Global, Inc. (“NS Global”), a Delaware corporation, and certain real property located outside of San Antonio, Texas (the “Assets”).

On January 30, 2015, MYDR consummated the acquisition of the Assets pursuant to the Agreement. In accordance with the terms of the Agreement, the MYDR issued 75,520,240 shares of its common stock to NSH as consideration for the Assets. As a result of the transaction, NSH acquired 88.62% of MYDR’s issued and outstanding shares of common stock, NSC and NS Global became MYDR’s wholly-owned subsidiaries, and MYDR changed its principal business to a global shrimp farming company.

There were no material relationships between the MYDR and NSH or between the Company’s or NSH’s respective affiliates, directors, or officers or associates thereof, other than in respect of the Agreement. Effective March 3, 2015, MYDR amended its Articles of Incorporation to change its name to “NaturalShrimp Incorporated”.

Between February 13, 2015 and April 24, 2015, NaturalShrimp Incorporated entered into a form of Subscription Agreement (the “Agreement”) and consummated initial closings of a private placement offering of the Company’s common stock (the “Offering”). As of March 31, 2015 an aggregate of 1,557,142 shares of common stock had been sold to investors pursuant to the Agreement, 71,430 of those common shares were paid on April 1, 2015, at a price of \$0.35 per share.

#### **NOTE 5 – OPTIONS AND WARRANTS**

The Company has not granted any options or warrants since inception.

#### **NOTE 6 – RELATED PARTY TRANSACTIONS**

##### *Notes Payable – Related Parties*

##### Baptist Community Services (BCS)

Pursuant to an assignment agreement dated March 26, 2009, Amarillo National Bank sold and transferred a note to Baptist Community Services (BCS), a shareholder of the Company, in the amount of \$2,004,820. The interest rate under the terms of the agreement is 2.25% and is payable monthly. The note is collateralized by all inventories, accounts, equipment, and all general intangibles related to the Company’s shrimp production facility in La Coste, Texas. Payment of the note is also guaranteed by High Plains Christian Ministries Foundation, a shareholder of the Company. The balance of the note at March 31, 2015 and 2014 was \$2,004,820 and is classified as a current liability on the consolidated balance sheets.

Effective December 31, 2008, the Company entered into a subordinated promissory note agreement with BCS for \$70,000 (BCS subordinated note) to provide working capital to pay accrued interest due under the BCS note and other operating expenses. On April 7, 2009, the BCS subordinated note was increased to \$125,000 to provide additional working capital for the Company. The balance of the BCS subordinated note at March 31, 2015 and 2014 was \$2,305,953 and \$2,279,283, respectively, and is classified as a current liability on the consolidated balance sheets. During the years ended March 31, 2015 and 2014, the Company incurred \$27,446 and \$25,478 in interest expense on the subordinated note. At March 31, 2015 and 2014, accrued interest payable was \$101,760 and \$76,984, respectively.

On January 25, 2010, the Company received notice from BCS notifying it that the Company was in default of its obligations to BCS and that both the BCS note and the BCS subordinated note, as well as all accrued interest, fees and expenses, were payable in full. Pursuant to a forbearance agreement dated January 25, 2010, BCS agreed to forbear from exercising any remedies available under the notes until January 25, 2011 or when the Company fails to promptly perform any of its covenants or obligation under the forbearance agreement, whichever occurs first. In 2015, a fifth forbearance agreement was executed extending the forbearance terms to December 31, 2016.

#### Shareholder Notes

The Company has entered into several working capital notes payable to multiple shareholders and Bill Williams, an officer, a director, and a shareholder of the Company, for a total of \$486,500 since inception. These notes had stock issued in lieu of interest and have no set monthly payment or maturity date. The balance of these notes at March 31, 2015 and 2014 was \$426,404 and \$442,404, respectively, and is classified as a current liability on the consolidated balance sheets. The Company repaid \$16,000 during the year ended March 31, 2015. At March 31, 2015 and 2014, accrued interest payable was \$111,784 and \$76,984, respectively.

#### NSSA Partners

In 2005, the Company entered into a working capital note payable to the partners of NSSA for \$500,084. Pursuant to a merger agreement dated March 19, 2008 between the Company and NSSA partners, the company converted the note into common stock of NaturalShrimp Holdings, Inc. at \$1.00 per share. The accrued interest payable on that note was converted into a new note in the amount of \$113,312. This note matured on March 19, 2013 and bore interest at 6.0% compounded annually on unpaid balances. The NSSA Partners loan is outstanding and accruing interest as recorded on the consolidated statement of operations.

#### Shareholders

In 2009, the Company entered into a note payable to Randall Steele, a shareholder of the Company, for \$50,000. The note bears interest at 6.0% and is payable upon maturity on January 20, 2011. In addition, the Company issued 100,000 shares of common stock for consideration. The shares were valued at the date of issuance at fair market value. The value assigned to the shares of \$50,000 was recorded as increase in common stock and additional paid-in capital and was limited to the value of the note. The assignment of a value to the shares resulted in a financing fee being recorded for the same amount. The note is unsecured. The balance of the note at March 31, 2015 and 2014 was \$50,000, respectively, and is classified as a current liability on the consolidated balance sheets. Interest expense on the note was \$3,025 and \$2,770 during the years ended March 31, 2015 and 2014, respectively. At March 31, 2015 and 2014, accrued interest payable was \$795.

Beginning in 2009, the Company started entering into notes payable with various shareholders of the Company. The notes bear interest at 15.0% and are payable generally twelve months from the date of the note. The notes are collateralized by the shrimp crop attributable to the post larvae (PLs) acquired from the note proceeds. At March 31, 2015 and 2014 the balance of these notes totaled \$35,000 and is classified as current liabilities on the consolidated balance sheets. Interest expense on these notes totaled \$5,250 during the years ended March 31, 2015 and 2014. At March 31, 2015 and 2014, accrued interest payable was \$23,271 and \$18,021, respectively.

Beginning in 2010, the Company started entering into several working capital notes payable with various shareholders of the Company for a total of \$290,000 and bearing interest at 8%. The balance of these notes at March 31, 2015 and 2014 was \$49,550 and \$30,000, respectively, and is classified as a current liability on the consolidated balance sheets. At March 31, 2015 and 2014, accrued interest payable was \$400 and \$400, respectively.

#### **NOTE 7 – FEDERAL INCOME TAX**

The Company accounts for income taxes under ASC 740-10, which provides for an asset and liability approach of accounting for income taxes. Under this approach, deferred tax assets and liabilities are recognized based on anticipated future tax consequences, using currently enacted tax laws, attributed to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts calculated for income tax purposes.

For the years ended March 31, 2015 and 2014, the Company incurred net operating losses and, accordingly, no provision for income taxes has been recorded. In addition, no benefit for income taxes has been recorded due to the uncertainty of the realization of any deferred tax assets.

Based on the available objective evidence, including the Company's history of losses, management believes it is more likely than not that any net deferred tax assets will not be fully realizable. Accordingly, the Company provided for a full valuation allowance against its net deferred tax assets at March 31, 2015 and 2014, respectively.

In accordance with ASC 740, the Company has evaluated its tax positions and determined that there are no uncertain tax positions.

#### **NOTE 8 – CONCENTRATION OF CREDIT RISK**

The Company maintains cash balances at one financial institution. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of March 31, 2015 and 2014, the Company's cash balance did not exceed FDIC coverage.

#### **NOTE 9 – REVERSE ACQUISITION**

On November 26, 2014, Multiplayer Online Dragon, Inc., a Nevada corporation ("MYDR"), entered into an Asset Purchase Agreement (the "Agreement") with NaturalShrimp Holdings, Inc. a Delaware corporation ("NSH"), pursuant to which MYDR was to acquire substantially all of the assets of NSH which assets consist primarily of all of the issued and outstanding shares of capital stock of NaturalShrimp Corporation ("NSC"), a Delaware corporation, and NaturalShrimp Global, Inc. ("NS Global"), a Delaware corporation, and certain real property located outside of San Antonio, Texas (the "Assets").

On January 30, 2015, MYDR consummated the acquisition of the Assets pursuant to the Agreement. In accordance with the terms of the Agreement, the MYDR issued 75,520,240 shares of its common stock to NSH as consideration for the Assets. As a result of the transaction, NSH acquired 88.62% of MYDR's issued and outstanding shares of common stock, NSC and NS Global became MYDR's wholly-owned subsidiaries, and MYDR changed its principal business to a global shrimp farming company.

There were no material relationships between the MYDR and NSH or between the Company's or NSH's respective affiliates, directors, or officers or associates thereof, other than in respect of the Agreement. Effective March 3, 2015, MYDR amended its Articles of Incorporation to change its name to "NaturalShrimp Incorporated".

The Company evaluated this transactions using ASC 805-40 "*Business Combinations Reverse Acquisitions*". Due to the change in control of the Company, this transaction was accounted for as a reverse acquisition in accordance with ASC No. 805-40 whereby NSH was considered the accounting acquirer.

#### **NOTE 10 – COMMITMENTS AND CONTINGENCIES**

##### *Executive Employment Agreements – Bill Williams and Gerald Easterling*

On April 1, 2015, the Company entered into employment agreements with each of Bill G. Williams, as the Company's Chief Executive Officer, and Gerald Easterling as the Company's President, effective as of April 1, 2015 (the "Employment Agreements").

The Employment Agreements are each terminable at will and each provide for a base annual salary of \$96,000. In addition, the Employment Agreements each provide that the employee is entitled, at the sole and absolute discretion of the Company's Board of Directors, to receive performance bonuses. Each employee will also be entitled to certain benefits including health insurance and monthly allowances for cell phone and automobile expenses.

Each Employment Agreement provides that in the event employee is terminated without cause or resigns for good reason (each as defined in their Employment Agreements), the employee will receive, as severance and employee's base salary for a period of 60 months following the date of termination. In the event of a change of control of the Company, the employee may elect to terminate the Employment Agreement within 30 days thereafter and upon such termination would receive a lump sum payment equal to 500% of the employee's base salary.

Each Employment Agreement contains certain restrictive covenants relating to non-competition, non-solicitation of customers and non-solicitation of employees for a period of one year following termination of the employee's Employment Agreement.

#### **NOTE 11 – SUBSEQUENT EVENTS**

For the period from April 1, 2015 through July 22, 2015 the company issued shares as follows:

	<b>Number of Shares</b>
Issuance of common stock for cash at \$0.35 per share	1,418,178
Issuance of common stock for services performed	199,103

As of July 21, 2015, the Company had outstanding 88,394,663 shares of common stock.

## ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

### ITEM 9A. CONTROLS AND PROCEDURES

#### Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (who is our Principal Executive Officer) and our Chief Financial Officer and Treasurer (who is our Principal Financial Officer and Principal Accounting Officer), of the effectiveness of the design of our disclosure controls and procedures (as defined by Exchange Act Rules 13a-15(e) or 15d-15(e)) as of March 31, 2015 pursuant to Exchange Act Rule 13a-15. Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were not effective as of March 31, 2015 in ensuring that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's (the "SEC") rules and forms. This conclusion is based on findings that constituted material weaknesses. A material weakness is a deficiency, or a combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's interim financial statements will not be prevented or detected on a timely basis.

#### Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Under the supervision and with the participation of our management, which currently consists of our Chief Executive Officer and Treasurer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on criteria established in the framework in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO" - 2013) and SEC guidance on conducting such assessments. Our management concluded, as of March 31, 2015, that our internal control over financial reporting was not effective. Management realized there were deficiencies in the design or operation of the Company's internal control that adversely affected the Company's internal controls which management considers to be material weaknesses.

In performing the above-referenced assessment, management had concluded that as of March 31, 2015, there were deficiencies in the design or operation of our internal control that adversely affected our internal controls which management considers to be material weaknesses including those described below:

- i) *Lack of Formal Policies and Procedures.* The Company utilizes a third party independent contractor for the preparation of its financial statements. Although the financial statements and footnotes are reviewed by our management, we do not have a formal policy to review significant accounting transactions and the accounting treatment of such transactions. The third party independent contractor is not involved in the day to day operations of the Company and may not be provided information from management on a timely basis to allow for adequate reporting/consideration of certain transactions.
- ii) *Audit Committee and Financial Expert.* The Company does not have a formal audit committee with a financial expert, and thus the Company lacks the board oversight role within the financial reporting process.
- (iii) *Insufficient Resources.* The Company has insufficient quantity of dedicated resources and experienced personnel involved in reviewing and designing internal controls. As a result, a material misstatement of the interim and annual financial statements could occur and not be prevented or detected on a timely basis.
- (iv) *Entity Level Risk Assessment.* The Company did not perform an entity level risk assessment to evaluate the implication of relevant risks on financial reporting, including the impact of potential fraud related risks and the risks related to non-routine transactions, if any, on internal control over financial reporting. Lack of an entity-level risk assessment constituted an internal control design deficiency which resulted in more than a remote likelihood that a material error would not have been prevented or detected, and constituted a material weakness.
- (v) *Lack of Personnel with GAAP Experience.* We lack personnel with formal training to properly analyze and record complex transactions in accordance with U.S.

Our management feels the weaknesses identified above have not had any material affect on our financial results. However, we are currently reviewing our disclosure controls and procedures related to these material weaknesses and expect to implement changes in the near term, including identifying specific areas within our governance, accounting and financial reporting processes to add adequate resources to potentially mitigate these material weaknesses.

Our management will continue to monitor and evaluate the effectiveness of our internal controls and procedures and our internal controls over financial reporting on an ongoing basis and is committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

#### *Changes in Internal Control Over Financial Reporting*

There were no changes in our internal control over financial reporting during the three months ended March 31, 2015 that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting. We believe that a control system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the control system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within any company have been detected.

#### **ITEM 9B. OTHER INFORMATION**

Effective July 17, 2015, Alexander Baez resigned as the Chief Financial Officer of the Company.

Effective July 17, 2015, William Delgado was appointed as Chief Financial Officer and Treasurer of the Company. Mr. Delgado has been a director of the Company since May 19, 2014 and had served as President of the Company from May 19, 2014 through January 30, 2015

There is no arrangement or understanding between Mr. Delgado and any other person(s) pursuant to which he was appointed as Chief Financial Officer and Treasurer of the Company. Mr. Delgado has no family relationships with any director or executive officer of the Company, or persons nominated or chosen by the Company to become directors or executive officers. Furthermore, the Company is not aware of any transaction involving the Mr. Delgado requiring disclosure under Item 404(a) of Regulation S-K.

### **PART III**

#### **ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.**

Set forth below are the present directors and executive officers of the Company. Except as set forth below, there are no other persons who have been nominated or chosen to become directors nor are there any other persons who have been chosen to become executive officers. Other than as set forth below, there are no arrangements or understandings between any of the directors, officers and other persons pursuant to which such person was selected as a director or an officer.



Name	Age	Position	Since
Bill G. Williams	80	Chairman of the Board, Chief Executive Officer	2015
Gerald Easterling	67	President, Secretary, Director	2015
Scott Stubblefield	44	Director of Sales and Marketing	2015
William Delgado	56	Treasurer, Chief Financial Officer, Director	2014

The Board of Directors is comprised of only one class. All of the directors serve for a term of one year and until their successors are elected at the Company's annual shareholders meeting and are qualified, subject to removal by the Company's shareholders. Each executive officer serves, at the pleasure of the Board of Directors, for a term of one year and until his successor is elected at a meeting of the Board of Directors and is qualified.

Our Board of Directors believes that all members of the Board and all executive officers encompass a range of talent, skill, and experience sufficient to provide sound and prudent guidance with respect to our operations and interests. The information below with respect to our directors and executive officers includes each individual's experience, qualifications, attributes, and skills that led our Board of Directors to the conclusion that he or she should serve as a director and/or executive officer.

*Biographies*

Set forth below are brief accounts of the business experience during the past five years of each director, executive officer and significant employee of the Company.

Bill G. Williams – Co-Founder, Chairman of the Board and Chief Executive Officer

Mr. Williams has served as Chairman of the Board and CEO of NSH since its inception in 2001. From 1997 to 2003, he was Chairman and CEO of Direct Wireless Communications, Inc. and its successor Health Discovery Corporation, a public company listed on the OTCBB exchange. From 1990 to 1997, Mr. Williams was Chairman and CEO of Cafe Quick Enterprises, which uses a unique, patented air impingement technology to cook fresh and frozen food in vending machines. From 1985 to 1990, Mr. Williams was Chairman and CEO of Ameritron Corporation, a multi-business holding company. Mr. Williams has also served a member of the board of directors of NaturalShrimp Corporation and NaturalShrimp Global, Inc. since 2001. We believe Mr. Williams is qualified to serve on our board of directors because of his business experiences, including his experience as a director of companies in similar industries, as described above.

Gerald Easterling – Co-Founder, President and Director

Mr. Easterling has served as President and a director of NSH since its inception in 2001. Mr. Easterling has experience in the food business and related industries. In the five years prior to the formation of NSH, Mr. Easterling was Chairman of the Board of Excel Vending Companies. He also was President and Director of Cafe Quick Enterprises and has been a member of the board since 1988. Mr. Easterling has also served a member of the board of directors of NaturalShrimp Corporation and NaturalShrimp Global, Inc. since 2001. We believe Mr. Easterling is qualified to serve on our board of directors because of his business experiences, including his experience as a director of companies in similar industries, as described above.

Thomas Untermeyer – Co-Founder and Chief Technology Consultant

Mr. Untermeyer is a co-founder of NSH, has served as an engineering consultant to NSH since 2001, and is the Company's Chief Technology Officer. Mr. Untermeyer holds a Bachelor of Science in electrical engineering from St. Mary's University. Mr. Untermeyer also serves as Senior Program Manager with Southwest Research Institute, San Antonio. Mr. Untermeyer is the inventor of the initial technology behind the computer-controlled shrimp-raising system used by the Company.

#### Scott Stubblefield – Director of Sales and Marketing

Mr. Stubblefield has served as Director of Sales and Marketing of NaturalShrimp Corporation since January 2011. Scott drives the company growth and marketing strategy with over 10 years of industry experience. He is responsible for NaturalShrimp Marketing, Corporate Communications and Public Relations initiatives while representing the brand and cultivating opportunities for NaturalShrimp and solutions in new and existing markets. Prior to joining NSH, he served in business and corporate development in the financial marketing industry for six years. Mr. Stubblefield attended Cameron University, studying Sociology and Communications, while on a collegiate golf scholarship.

#### William J. Delgado – Treasurer, Chief Financial Officer (former President of Multiplayer Online Dragon, Inc.) and Director

Mr. Delgado has served as Director of the Company since May 19, 2014. Since August 2004, Mr. Delgado has served as a Director, President, Chief Executive Officer and Chief Financial Officer of Global Digital Solutions, Inc. (“GDSI”), a publicly traded company that provides cyber arms manufacturing, complementary security and technology solutions and knowledge-based, cyber-related, culturally attuned social consulting in unsettled areas. Effective August 12, 2013, Mr. Delgado assumed the position of Executive Vice President of GDSI. He began his career with Pacific Telephone in the Outside Plant Construction. He moved to the network engineering group and concluded his career at Pacific Bell as the Chief Budget Analyst for the Northern California region. Mr. Delgado founded All Star Telecom in late 1991, specializing in OSP construction and engineering and systems cabling. All Star Telecom was sold to International FiberCom in April 1999. After leaving International FiberCom in 2002, Mr. Delgado became President/CEO of Pacific Comtel in San Diego, California, which was acquired by GDSI in 2004. Mr. Delgado holds a BS with honors in Applied Economics from the University of San Francisco and Graduate studies in Telecommunications Management at Southern Methodist University. We believe Mr. Delgado is qualified to serve on our board of directors because of his business experiences, including his experience in management and as a director of public companies, as described above.

#### *Family Relationships*

There are no other family relationships between or among any of our directors, executive officers and any incoming directors or executive officers.

#### *Involvement in Certain Legal Proceedings*

No director, executive officer, significant employee or control person of the Company has been involved in any legal proceeding listed in Item 401(f) of Regulation S-K in the past 10 years.

#### *Committees of the Board*

Our Board of Directors held no formal meetings in the prior fiscal year. All proceedings of the Board of Directors were conducted by resolutions consented to in writing by the directors and filed with the minutes of the proceedings of the directors. Such resolutions consented to in writing by the directors entitled to vote on that resolution at a meeting of the directors are, according to the Nevada Revised Statutes and the bylaws of our Company, as valid and effective as if they had been passed at a meeting of the directors duly called and held. We do not presently have a policy regarding director attendance at meetings.

We do not currently have a standing audit, nominating or compensation committee of the Board of Directors, or any committee performing similar functions. Our Board of Directors performs the functions of audit, nominating and compensation committees.

#### *Audit Committee*

Our Board of Directors has not established a separate audit committee within the meaning of Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Instead, the entire Board of Directors acts as the audit committee within the meaning of Section 3(a)(58)(B) of the Exchange Act and will continue to do so until such time as a separate audit committee has been established.

#### *Audit Committee Financial Expert*

We currently have not designated anyone as an “audit committee financial expert,” as defined in Item 407(d)(5) of Regulation S-K as we have not yet created an audit committee of the Board of Directors.

#### *Compliance with Section 16(a) of the Securities Exchange Act of 1934*

Section 16(a) of the Securities Exchange Act requires our executive officers and directors, and persons who own more than 10% of our common stock, to file reports regarding ownership of, and transactions in, our securities with the Securities and Exchange Commission and to provide us with copies of those filings.

Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons, we believe that during the fiscal year ended December 31, 2014, our officers, directors and greater than 10% percent beneficial owners complied with all applicable filing requirements, except for the following:

- Late filing of Form 4 for Bill G. Williams in connection with acquisition of 75,520,240 shares of common stock on January 29, 2015.
- Late filing of Form 4 for Gerald Easterling in connection with acquisition of 75,520,240 shares of common stock on January 29, 2015.
- Late filing of Form 4 for William Delgado in connection with acquisition of 8,540,000 shares of common stock on January 29, 2015.
- Late filing of Form 3 for Alexander Baez.
- Late filing of Form 3 for Tom Untermeyer.
- Late filing of Form 4 for Dragon Acquisitions LLC and William Delgado in connection with disposition of 1,400,000 shares of common stock on December 11, 2014 and February 13, 2015.

#### *Nominations to the Board of Directors*

Our directors take a critical role in guiding our strategic direction and oversee the management of the Company. Board candidates are considered based upon various criteria, such as their broad-based business and professional skills and experiences, a global business and social perspective, concern for the long-term interests of the stockholders, diversity, and personal integrity and judgment.

In addition, directors must have time available to devote to Board activities and to enhance their knowledge in the growing business. Accordingly, we seek to attract and retain highly qualified directors who have sufficient time to attend to their substantial duties and responsibilities to the Company.

In carrying out its responsibilities, the Board will consider candidates suggested by stockholders. If a stockholder wishes to formally place a candidate’s name in nomination, however, he or she must do so in accordance with the provisions of the Company’s Bylaws. Suggestions for candidates to be evaluated by the proposed directors must be sent to the Board of Directors, c/o NaturalShrimp Incorporated, 2068 North Valley Mills Road, Waco, TX 76710.

#### *Director Nominations*

As of March 31, 2015, we did not effect any material changes to the procedures by which our shareholders may recommend nominees to our Board of Directors.

#### *Board Leadership Structure and Role on Risk Oversight*

Bill G. Williams currently serves as the Company’s principal executive officer and a director. The Company determined this leadership structure was appropriate for the Company due to our small size and limited operations and resources. The Board of Directors will continue to evaluate the Company’s leadership structure and modify as appropriate based on the size, resources and operations of the Company. It is anticipated that the Board of Directors will establish procedures to determine an appropriate role for the Board of Directors in the Company’s risk oversight function.

*Compensation Committee Interlocks and Insider Participation*

No interlocking relationship exists between our board of directors and the board of directors or compensation committee of any other company, nor has any interlocking relationship existed in the past.

*Code of Ethics*

The Company has adopted a written code of ethics that governs the Company's employees, officers and directors. A copy of such code of ethics is available upon written request to the Company.

**ITEM 11. EXECUTIVE COMPENSATION.**

*General Philosophy*

Our Board of Directors is responsible for establishing and administering the Company's executive and director compensation.

*Executive Compensation*

The following summary compensation table indicates the cash and non-cash compensation earned from the Company during the fiscal years ended March 31, 2015 and 2014 by the current and former executive officers of the Company and each of the other two highest paid executives or directors, if any, whose total compensation exceeded \$100,000 during those periods.

Summary Compensation Table								
Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
Bill G. Williams Chairman of the Board, CEO	2015	\$ 68,000						\$ 68,000
	2014	\$ 76,000						\$ 76,000
Gerald Easterling President	2015	\$ 68,000						\$ 68,000
	2014	\$ 84,000						\$ 84,000

We have employment agreements in place with Bill G. Williams and Gerald Easterling.

*Employment Agreements*

Bill G. Williams

On April 1, 2015, the Company entered into an employment agreement with Bill G. Williams as the Company's Chief Executive Officer. The agreement is terminable at will and provides for a base annual salary of \$96,000. In addition, the agreement provides that the Mr. Williams is entitled, at the sole and absolute discretion of the Company's Board of Directors, to receive performance bonuses. Mr. Williams will also be entitled to certain benefits including health insurance and monthly allowances for cell phone and automobile expenses.

The agreement provides that in the event Mr. Williams is terminated without cause or resigns for good reason (each as defined in the agreement), Mr. Williams will receive, as severance, his base salary for a period of 60 months following the date of termination. In the event of a change of control of the Company, Mr. Williams may elect to terminate the agreement within 30 days thereafter and upon such termination would receive a lump sum payment equal to 500% of his base salary. The agreement contains certain restrictive covenants relating to non-competition, non-solicitation of customers and non-solicitation of employees for a period of one year following termination of the agreement.

### Gerald Easterling

On April 1, 2015, the Company entered into an employment agreement with Gerald Easterling as the Company's Chief Executive Officer. The agreement is terminable at will and provides for a base annual salary of \$96,000. In addition, the agreement provides that the Mr. Easterling is entitled, at the sole and absolute discretion of the Company's Board of Directors, to receive performance bonuses. Mr. Easterling will also be entitled to certain benefits including health insurance and monthly allowances for cell phone and automobile expenses.

The agreement provides that in the event Mr. Easterling is terminated without cause or resigns for good reason (each as defined in the agreement), Mr. Easterling will receive, as severance, his base salary for a period of 60 months following the date of termination. In the event of a change of control of the Company, Mr. Easterling may elect to terminate the agreement within 30 days thereafter and upon such termination would receive a lump sum payment equal to 500% of his base salary.

The agreement contains certain restrictive covenants relating to non-competition, non-solicitation of customers and non-solicitation of employees for a period of one year following termination of the agreement.

#### *Potential Payments Upon Termination or Change-in-Control*

SEC regulations state that we must disclose information regarding agreements, plans or arrangements that provide for payments or benefits to our executive officers in connection with any termination of employment or change in control of the Company.

None of our executive officers or directors received, nor do we have any arrangements to pay out, any bonus, stock awards, option awards, non-equity incentive plan compensation, or non-qualified deferred compensation.

#### *Compensation of Directors*

We have no standard arrangement to compensate directors for their services in their capacity as directors. Directors are not paid for meetings attended. However, we intend to review and consider future proposals regarding board compensation. All travel and lodging expenses associated with corporate matters are reimbursed by us, if and when incurred.

#### *Stock Option Plans - Outstanding Equity Awards at Fiscal Year End*

None.

#### *Pension Table*

None.

#### *Retirement Plans*

We do not offer any annuity, pension, or retirement benefits to be paid to any of our officers, directors, or employees in the event of retirement. There are also no compensatory plans or arrangements with respect to any individual named above which results or will result from the resignation, retirement, or any other termination of employment with our company, or from a change in the control of our Company.

#### *Compensation Committee*

The Company does not have a separate Compensation Committee. Instead, the Company's Board of Directors reviews and approves executive compensation policies and practices, reviews salaries and bonuses for other officers, administers the Company's stock option plans and other benefit plans, if any, and considers other matters.

#### *Risk Management Considerations*

We believe that our compensation policies and practices for our employees, including our executive officers, do not create risks that are reasonably likely to have a material adverse effect on our Company.

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.**

The following table sets forth certain information as of July 8, 2015, with respect to the beneficial ownership of our common stock for (i) each director and officer, (ii) all of our directors and officers as a group, and (iii) each person known to us to own beneficially five percent (5%) or more of the outstanding shares of our common stock. As of July 8, 2015, there were 88,158,952 shares of common stock outstanding.

<b>Name and Address of Beneficial Owner(1)</b>	<b>Shares Beneficially Owned</b>	<b>Percentage Owned(2)</b>
<b><u>Directors and Executive Officers</u></b>		
Bill G. Williams 2086 N. Valley Mills Rd. Waco, TX 76710	75,520,240 (3)	85.66%
Gerald Easterling 2086 N. Valley Mills Rd. Waco, TX 76710	75,520,240 (4)	85.66%
Tom Untermeyer 2086 N. Valley Mills Rd. Waco, TX 76710	0	0%
Scott Stubblefield 2086 N. Valley Mills Rd. Waco, TX 76710	0	0%
William Delgado 2086 N. Valley Mills Rd. Waco, TX 76710	7,625,000 (5)	8.65%
<b>Total:</b>	<b>83,145,240</b>	<b>94.31%</b>
<b>5% Stockholders</b>		
NaturalShrimp Holdings, Inc. 2086 N. Valley Mills Rd. Waco, TX 76710	75,520,240	85.66%
Dragon Acquisitions LLC 1621 Central Avenue Cheyenne, WY 82001	7,625,000	8.65%

- (1) Beneficial ownership has been determined in accordance with Rule 13d-3 under the Exchange Act. Pursuant to the rules of the SEC, shares of common stock which an individual or group has a right to acquire within 60 days pursuant to the exercise of options or warrants are deemed to be outstanding for the purpose of computing the percentage ownership of such individual or group, but are not deemed to be beneficially owned and outstanding for the purpose of computing the percentage ownership of any other person shown in the table.
- (2) Based on 87,908,834 shares of our common stock issued and outstanding as of July 8, 2015.
- (3) Bill G. Williams is the indirect owner of 75,520,240 shares of common stock, which are directly held by NaturalShrimp Holdings, Inc. Mr. Williams is the Chairman of the Board and the Chief Executive Office of NaturalShrimp Holdings, Inc. and has shared voting and dispositive power over the shares held by NaturalShrimp Holdings, Inc.
- (4) Gerald Easterling is the indirect owner of 75,520,240 shares of common stock, which are directly held by NaturalShrimp Holdings, Inc. Mr. Easterling is the President of NaturalShrimp Holdings, Inc. and has shared voting and dispositive power over the shares held by NaturalShrimp Holdings, Inc.
- (5) William Delgado is the indirect owner of 7,625,000 shares of common stock, which are directly held by Dragon Acquisitions LLC. Mr. Delgado is the managing member of Dragon Acquisitions LLC and has shared voting and dispositive power over the shares held by Dragon Acquisitions LLC.

#### *Securities Authorized for Issuance Under Equity Compensation Plans*

None.

#### *Non-Cumulative Voting*

The holders of our shares of common stock do not have cumulative voting rights, which means that the holders of more than 50% of such outstanding shares, voting for the election of Directors, can elect all of the Directors to be elected, if they so choose. In such event, the holders of the remaining shares will not be able to elect any of our Directors.

#### *Transfer Agent*

Our transfer agent is Island Stock Transfer, Inc., and is located at 15500 Roosevelt Boulevard, Suite 301, Clearwater, Florida 33760. Their telephone number is (727) 289-0010.

### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

#### *Transactions with Related Persons*

Except as set out below, as of March 31, 2015, there have been no transactions, or currently proposed transactions, in which we were or are to be a participant and the amount involved exceeds the lesser of \$120,000 or one percent of the average of our total assets at year end for the last two completed fiscal years, and in which any of the following persons had or will have a direct or indirect material interest:

- any director or executive officer of our company;
- any person who beneficially owns, directly or indirectly, shares carrying more than 5% of the voting rights attached to our outstanding shares of common stock;
- any promoters and control persons; and
- any member of the immediate family (including spouse, parents, children, siblings and in laws) of any of the foregoing persons.

#### Asset Purchase Transaction

On January 30, 2015, we consummated the acquisition of the Assets pursuant to the Agreement. In accordance with the terms of the Agreement, we issued 75,520,240 shares of its common stock to NSH as consideration for the Assets. As a result of the transaction, NSH acquired 88.62% of MYDR's issued and outstanding shares of common stock, NSC and NS Global became MYDR's wholly-owned subsidiaries, and MYDR changed its principal business to a global shrimp farming company. Bill G. Williams and Gerald Easterling are both executive officers of NSH and the Company.

## Bill G. Williams

The Company has entered into several working capital notes payable to Bill Williams, an officer, a director, and a shareholder of the Company, for a total of \$486,500 since inception. These notes had stock issued in lieu of interest and have no set monthly payment or maturity date. The balance of these notes at March 31, 2015 and 2014 was \$426,404 and \$442,404, respectively, and is classified as a current liability on the consolidated balance sheets. The Company repaid \$16,000 during the year ended March 31, 2015. At March 31, 2015 and 2014, accrued interest payable was \$111,784 and \$76,984, respectively.

### Named Executive Officers and Current Directors

For information regarding compensation for our named executive officers and current directors, see “Executive Compensation”.

### Director Independence

Our board of directors consists of Bill G. Williams, Gerald Easterling and William Delgado. Our securities are quoted on the OTC Markets Group, which does not have any director independence requirements. We evaluate independence by the standards for director independence established by applicable laws, rules, and listing standards including, without limitation, the standards for independent directors established by The New York Stock Exchange, Inc., the NASDAQ National Market, and the Securities and Exchange Commission.

Subject to some exceptions, these standards generally provide that a director will not be independent if (a) the director is, or in the past three years has been, an employee of ours; (b) a member of the director’s immediate family is, or in the past three years has been, an executive officer of ours; (c) the director or a member of the director’s immediate family has received more than \$120,000 per year in direct compensation from us other than for service as a director (or for a family member, as a non-executive employee); (d) the director or a member of the director’s immediate family is, or in the past three years has been, employed in a professional capacity by our independent public accountants, or has worked for such firm in any capacity on our audit; (e) the director or a member of the director’s immediate family is, or in the past three years has been, employed as an executive officer of a company where one of our executive officers serves on the compensation committee; or (f) the director or a member of the director’s immediate family is an executive officer of a company that makes payments to, or receives payments from, us in an amount which, in any twelve-month period during the past three years, exceeds the greater of \$1,000,000 or two percent of that other company’s consolidated gross revenues.

Based on these standards, we have determined that none of our directors are independent directors.

## ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

### Audit and Accounting Fees

Effective April 11, 2015, WDM Chartered Accountants (“WDM”) was dismissed as the independent registered public accounting firm of the Company. The dismissal of WDM as the independent registered public accounting firm was approved by the Company’s Board of Directors. Effective April 11, 2015, the Board of Directors of the Company engaged Turner, Stone & Company (“TSC”) as its independent registered public accounting firm to audit the Company’s financial statements for the Company’s fiscal year ended March 31, 2015. The following tables set forth the fees billed to the Company for professional services rendered by WDM for the years ended March 31, 2015 and 2014:

<b>Services</b>	<b>2015</b>	<b>2014</b>
Audit fees	\$ 7,027	\$ 10,205
Audit related fees	-	-
Tax fees	-	1,000
All other fees	-	-
<b>Total fees</b>	<b>\$ 7,027</b>	<b>\$ 11,205</b>

### Audit Fees

The audit fees were paid for the audit services of our Annual and Quarterly reports and issuing consents for our registration statements.

### Tax Fees

The tax fees were paid for reviewing various tax related matters.

### Pre-Approval Policies and Procedures

Our board of directors preapproves all services provided by our independent registered public accounting firm. All of the above services and fees were reviewed and approved by the board of directors before the respective services were rendered. Our board of directors has considered the nature and amount of fees billed by WDM and believes that the provision of services for activities unrelated to the audit is compatible with maintaining their respective independence.



## PART IV

### ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this Annual Report:

No.	Description
2.1	Asset Purchase Agreement, dated November 26, 2014, by and between Multiplayer Online Dragon, Inc. and NaturalShrimp Holdings, Inc. (incorporated by reference to our Current Report on Form 8-K filed on December 3, 2014).
3.1(a)	Articles of Incorporation (incorporated by reference to our Registration Statement on Form S-1 originally filed on June 11, 2009).
3.1(b)	Amendment to Articles of Incorporation (incorporated by reference to our Current Report on Form 8-K filed on May 19, 2014).
3.2	Bylaws (incorporated by reference to our Registration Statement on Form S-1 originally filed on June 11, 2009).
10.1	Business Loan Agreement, dated September 13, 2005, by and among NaturalShrimp Holdings, Inc., Amarillo National Bank, NSC, NaturalShrimp International, Inc., NaturalShrimp San Antonio, L.P., Shirley Williams, Gerald Easterling, Mary Ann Untermeyer, and High Plain Christian Ministries Foundation, as amended, modified and assigned (incorporated by reference to our Current Report on Form 8-K filed on February 11, 2015).
10.2	Secured Promissory Note, dated September 13, 2005, issued by NaturalShrimp Holdings, Inc. to Amarillo National Bank in the original principal amount of \$1,500,000, as amended, modified and assigned (incorporated by reference to our Current Report on Form 8-K filed on February 11, 2015).
10.3	Assignment Agreement, dated March 26, 2009, by and between Baptist Community Services, Amarillo National Bank and NaturalShrimp Holdings, Inc. (incorporated by reference to our Current Report on Form 8-K filed on February 11, 2015).
10.4	Fifth Forbearance Agreement, dated January 30, 2015, by and between the Company, NaturalShrimp Holdings, Inc. and Baptist Community Services (incorporated by reference to our Current Report on Form 8-K filed on February 11, 2015).
10.5	Stock Pledge Agreement, dated January 30, 2015, by and between the Company and Baptist Community Services (incorporated by reference to our Current Report on Form 8-K filed on February 11, 2015).
10.6	Agreement Regarding Loan Documents, dated January 30, 2015, by and between the Company and NaturalShrimp Holdings, Inc. (incorporated by reference to our Current Report on Form 8-K filed on February 11, 2015).
10.7	Exclusive Rights Agreement, dated August 19, 2014, between NaturalShrimp Holdings, Inc., its subsidiaries and F&T Water Solutions, LLC (incorporated by reference to our Current Report on Form 8-K filed on February 11, 2015).
10.8	Members Agreement, dated August 19, 2014, between NaturalShrimp Holdings, Inc., F&T Water Solutions, LLC and the members of Natural Aquatic Systems, LLC (incorporated by reference to our Current Report on Form 8-K filed on February 11, 2015).
10.9	Form of Subscription Agreement (incorporated by reference to our Current Report on Form 8-K filed on May 7, 2015).
<u>10.10*</u>	Form of Promissory Note with Shirley K. Williams, Kay Chafin and Jack Heald
<u>10.11*</u>	Form of Loan Agreement with Bill G. Williams
<u>10.12*</u>	Form of Security Agreement with Kay Chafin and Jack Heald
<u>10.13*</u>	Form of Line of Credit Agreement with Extraco Bank
<u>31.1*</u>	Certification Statement of the Chief Executive Officer pursuant to Section 302 of the SarbanesOxley Act of 2002
<u>31.2*</u>	Certification Statement of the Chief Financial Officer pursuant to Section 302 of the SarbanesOxley Act of 2002
<u>32.1*</u>	Certification Statement of the Chief Executive Officer pursuant to Section 906 of the SarbanesOxley Act of 2002
<u>32.2*</u>	Certification Statement of the Chief Financial Officer pursuant to Section 906 of the SarbanesOxley Act of 2002
101*	Interactive Data Files

\*Filed herewith

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**NATURALSHRIMP INCORPORATED**

/s/ Bill G. Williams  
Bill G. Williams  
Chief Executive Officer and Chairperson of the Board  
(Principal Executive Officer)

Date: July 28, 2015

/s/ William Delgado  
William Delgado  
Chief Financial Officer and Treasurer (Principal Financial  
Officer and Principal Accounting Officer)

Date: July 28, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signatures</b>	<b>Title(s)</b>	<b>Date</b>
<u>/s/ Bill G. Williams</u> Bill G. Williams	Chief Executive Officer, Chairman of the Board (Principal Executive Officer)	Date: July 28, 2015
<u>/s/ Gerald Easterling</u> Gerald Easterling	President, Director	Date: July 28, 2015
<u>/s/ William Delgado</u> William Delgado	Chief Financial Officer, Treasurer, Director	Date: July 28, 2015

NOTE

DATE:  
 MAKER: NaturalShrimp Corporation  
 MAKER'S MAILING ADDRESS: 2068 N Valley Mills Dr.  
 Waco, Texas 76710

LENDER:  
 ADDRESS:  
 PRINCIPAL AMOUNT: (\$ \_\_\_\_\_)  
 MATURITY DATE: Twelve months from the date hereof  
 INTEREST RATE ON  
 UNPAID PRINCIPAL FROM DATE: Fifteen percent (15%) payable at Maturity Date  
 SECURITY: Shrimp crop attributable to Loan of even date herewith

FOR VALUE RECEIVED, after date, without grace, in the manner, on the dates and in the amounts so stipulated, the undersigned Maker promises to pay, pursuant to the terms and conditions hereafter set forth, to the order of Holder at the Place of Payment or at such other place as the Holder of this note may designate in writing, in immediately available funds and in lawful money of the United States of America, the principal sum of \_\_\_\_\_ (\$ \_\_\_\_\_) together with interest on the principal amount hereof remaining outstanding and unpaid from the date hereof until maturity at the rate hereafter stated.

Maker acknowledges that the loan evidenced hereby is intended for business, commercial, or investment purposes and is not primarily for personal, family, household or agricultural use.

The principal of this Note and accrued, unpaid interest thereon is payable as follows:

In full on Maturity Date (subject to conversion election as set forth in the Loan)

This Note is secured by the shrimp crop attributable to the PLs acquired from the Note proceeds.

This Note may be prepaid, in part or in full but Holder shall be entitled to the full interest earned hereunder as though the Note was paid at Maturity Date.

Maker promises to pay to the order of Payee at the Place of Payment and according to the terms of payment the principal amount plus interest at the rates stated above.

Maker grants an option to Holder to convert the fifteen percent interest proceeds into thirty percent common stock shares at a price of \$.25 per share.

Maker grants an option to Holder to convert all proceeds; \$5,000 principal, fifteen percent interest or thirty percent common stock into common stock shares at \$.25 per share.

Maker grants a first right of refusal on future loans to Holder if financing program is renewed. Future interest rates will be determined by market conditions at that time.

As an additional consideration to Lender for making the loan, Lender shall be entitled to receive 1,000 shares of the common stock of Borrower.

If default is made in the payment of any part of the principal or interest of this note as same shall become due and payable, or if there is a default in any of the terms, covenants, conditions, agreements, or provisions set forth in any instruments securing payment hereof then in any such event the holder or holders of this Note shall have the option to declare this Note due and payable whereupon the entire unpaid principal balance of this Note and all interest accrued thereon shall thereupon at once mature and become due and payable without further presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Maker, and by all sureties, guarantors and endorsers of the Note to the fullest extent permitted by law.

This Note shall be the joint and several obligation of Makers, any Guarantor and all endorsers, if any, and shall be binding upon them, their heirs, legal representatives, successors and assigns. Except as heretofore provided, each Maker and endorser hereby jointly and severally waives grace, presentment for payment, demand, protest, notice of protest, notice of intent to accelerate, notice of acceleration and diligence in collecting.

In the event of default hereunder, or in any of the instruments securing payment hereof, and this Note is placed in the hands of an attorney for collection (whether or not suit is filed) or if this Note is collected by suit or legal proceedings, Maker agrees to pay an additional amount for attorney's fees, court costs and expense of collection in addition to other amounts due.

It is the intention of the parties hereof to comply with all applicable usury laws (now or hereafter enacted). Accordingly, it is agreed that notwithstanding any provisions to the contrary in this Note, or in any of the documents securing payment hereof or otherwise relating hereto, in no event shall this Note or such document, be construed to contract for, charge, or permit a receipt of interest in excess of the maximum amount permitted by the laws of the State of Texas and/or of the United States of America. If any such excess of interest is contracted for, charged, or received under this Note or under the terms of any of the documents securing payment hereof or otherwise relating hereto, or in the event the maturity of the indebtedness evidenced by this Note is accelerated in whole or in part, or in the event that all or part of the principal or interest of this Note shall be prepaid, so that under any of such circumstances the amount of interest contracted for, charged, or received under this Note or under any of the instruments securing payment hereof or otherwise relating hereto on the amount of principal actually outstanding from time to time under this note shall exceed the maximum rate of interest permitted by law, then, in such event:

- (a) The provisions of this paragraph shall govern and control; and
- (b) Neither Maker hereof nor Makers heirs, legal representatives, successors, or assign, or any other party liable for the payment hereof shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum permitted by law; and,
- (c) Any such excess shall be deemed a mistake and canceled automatically and, if theretofore paid, shall, at the option of the holder of this Note, be refunded to Makers or applied as a credit against the then unpaid principal amount hereof, and
- (d) The effective rate of interest shall be automatically reduced to the maximum contract rate allowed under such law's as now or hereafter construed by the Courts of appropriate jurisdiction, and, to the extent permitted by law, determination of the rate of interest shall be made by amortizing, prorating, allocating, and spreading in equal parts during the period of the fully stated term of the loan evidenced hereby all interest at any time contracted for, charged, or received from maker in connection with this loan.

Each Maker if more than one is responsible for all obligations represented by this Note. Each Maker warrants and represents that each has full authority to enter into this Note and that the person executing this Note on behalf of Maker has full right and authority to execute same. This Note shall be binding on each Maker according to its terms.

This Note shall be governed by and construed in accordance with the Laws of the State of Texas and the United States of America a from time to time in effect. Dallas County, Texas shall be the proper place of venue for suit hereon. Makers and any and all co-makers, endorsers, guarantors and sureties irrevocably agree that any legal proceedings in respect of this Note or any loan agreement, guaranty or other writing relating hereto shall be brought in the district courts of Dallas County, Texas.

**MAKER**

NATURALSHRIMP CORPORATION

BY:

TITLE:

\_\_\_\_\_  
\_\_\_\_\_

LOAN AGREEMENT

This Agreement is entered into this \_\_\_\_\_ by and between NaturalShrimp Holdings, Inc., a Delaware corporation with its principal office address at 2068 N. Valley Mills Dr., Waco, Texas 76710 (hereafter, "Company") and \_\_\_\_\_ or (hereafter "Lender") with an address set out opposite such signature.

RECITALS

- A. Lender has agreed to provide a Bridge loan in the amount of \_\_\_\_\_ (hereafter the "Loan") to the Company;
- B. The Company has agreed to provide additional consideration for said Bridge Loan;

NOW THEREFORE, for and in consideration of the mutual promises and obligations contained herein, the parties hereto, intending to be legally bound, hereby agree as follows:

AGREEMENTS

1. Company is and shall be principally liable for repayment of the Loan and will pay principal and interest in full, on-demand, and agrees to pay simple annual interest rate of Six (6) % on said loan as required by the Lender.
  2. As consideration for the Lender to provide the Company the Loan, the Lender shall receive \_\_\_\_\_ shares of common stock of the Company upon funding said Loan.
  3. In addition, from the date of this agreement the company will provide the Lender a six month option to purchase up to \_\_\_\_\_ of new treasury shares of common stock with a new share valued based upon and after the Company's successful merger into a public trading shell company and restricted as required by the Security and Exchange Commission.
  4. All shares of common stock delivered by Company to Investor will be authorized by appropriate action of the Board of Directors and will be deemed fully paid and non-assessable.
  5. Lender acknowledges their sophistication and expertise and stipulates and agrees that they understand the risks associated with the Loan and has entered into this Agreement without solicitation. Investor acknowledges a sufficient net worth and represents it has the financial capability to withstand the loss of the Loan in the event of a default by Company without the loss effecting Investor's ability to pay its ordinary and customary living expenses as they become due.
  6. The shares of common stock of the Company are not and will not, in the foreseeable future be registered on any stock exchange and are not publicly traded. Investor understands and acknowledges that there is no market for the securities that will be issued and delivered to Investor hereunder and that Investor is acquiring such shares for investment purposes and not for resale.
-

7. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

8. All notices, responses and other communications required or permitted under this Agreement shall be in writing, and unless otherwise specifically provided, shall be delivered personally, or by mail, facsimile or delivery service, to the address set forth opposite the signature of the parties below, and shall be considered delivered upon the date of receipt. Each party may specify a change of address by giving notice to the other party in the manner provided in this Section.

9. This Agreement constitutes the entire agreement and understanding between the parties, and may not be changed or amended in any way, except with the mutual consent of both parties, expressed in a written document executed by both parties.

10. This Agreement shall be construed under and in accordance with the laws of the State of Texas, notwithstanding its rules concerning conflicts of laws.

Dated and effective as of the date first set forth above.

NATURALSHRIMP HOLDINGS, INC.

/s/

BY: Gerald Easterling

ITS: President

LENDER

\_\_\_\_\_

\_\_\_\_\_

---

## SECURITY AGREEMENT

This Loan Agreement (the "Loan") is made and entered into this \_\_\_ day of \_\_\_\_\_, 2010, by and between \_\_\_\_\_ whose principal address is \_\_\_\_\_ (hereafter, "Lender") and NaturalShrimp Corporation, a Delaware corporation, with its principal place of business at 2068 N. Valley Mills Dr., Waco, Texas 76710 (hereafter, "Borrower").

## Recitals

- a. Borrower is a producer of shrimp in enclosed re-circulating saltwater production facilities located in La Coste, Texas and must purchase from third parties post larvae shrimp ("PLs") with which to stock its tanks and feed for growing out the shrimp; and
- b. In this respect, Borrower desires to Borrower from Lender and Lender is willing to loan to Borrower under the terms hereof funds necessary to acquire PLs and grow them to maturity in Borrower's tanks.

NOW THEREFORE, in consideration of the mutual promises and obligations hereafter set forth, the parties hereto, intending to be legally bound, agree as follows:

## Agreements

**1. The Loan.** Lender agrees to and does hereby loan to Borrower the sum of \_\_\_\_\_ (\$ \_\_\_\_\_) for purposes of purchasing PLs for stocking a single tank and for acquiring feed necessary to grow-out the PLs acquired hereunder. The loan shall be evidenced by a promissory note in the form attached hereto as Exhibit "A" (the "Note"). The proceeds of the Loan shall be used for this purpose only and for no other.

**2. The Note.** The Lender shall be entitled to receive interest on the Loan equal to fifteen percent (15%) or, alternatively thirty percent (30%) in the common stock of the Borrower, at Lender's election at the maturity date of the Loan. The Note shall be for a term equal to twelve (12) months from the date of the Note (the "Maturity Date."). The price used for calculating the number of shares payable as interest hereunder is \$.25 per share. In the event that the Note is paid prior to its maturity date, Lender shall nevertheless be entitled to the full interest earned pursuant to the Loan as though the Note was paid at the Maturity Date either in cash or in stock. Borrower reserves the right to pay installments on the Note so long as the full Note amount plus interest is paid on or before the Maturity Date.

**3. Conversion Rate.** In addition to the foregoing, Lender shall have the further right but not the obligation to convert the entire Note balance due at the Maturity Date into common stock of the Borrower. The conversion price shall be \$.25 per share of common stock of the Company. In the event that Borrower elects to pay the Note off earlier than the Maturity Date, the date on which Borrower elects to pay such-Note shall be deemed the Maturity Date.

**4. Security Interest.** The Note shall be an obligation of Borrower and shall be secured by the value of the crop of shrimp grown from the PLs acquired with the Loan. In this respect, The Note shall be a first charge on the proceeds from the sale of the shrimp from the tank stocked with PL's. Borrower will execute, for no additional consideration, such other and further documents as Lender reasonably request to perfect Lender's security interest in the growing crop of PLs/Shrimp.

**5. Reports and Record Keeping.** Borrower will monitor the grow-out process of the PL's acquired hereunder on a segregated basis from other tanks then being used by Borrower and shall report to Lender as to the status of the health, grow-out rates and other matters relating to the growth cycle of the PL's as deemed necessary or requested by Lender. At such time as the tank is harvested, Borrower will advise Lender of the total production attributable to the PLs acquired hereunder and the arrangements for sale of such production.

**6. Additional Consideration.** As additional consideration to Lender for making the Loan, Lender shall be entitled to receive '1,000 shares of the common stock of Borrower.



**7. Right of First Refusal.** Lender shall have the right of refusal to participate in other loans with Company under the same or similar terms and conditions and for the same purposes as the Loan as may be required by Borrower from time to time.

**8. Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties, and may not be changed or amended in any way, except with the mutual consent of both parties, expressed in a written document executed by both parties.

**9. Choice of Law.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, notwithstanding its rules concerning conflicts of laws.

**10. Authority.** Borrower is authorized by appropriate resolution to execute this Loan and the Note and same is binding on the corporation.

Dated \_\_\_\_\_

**BORROWER**

NATURALSHRIMP CORPORATION

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

**LENDER**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CHANGE IN TERMS AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** NaturalShrimp Holdings, Inc., a Delaware Corporation Lender: Extraco Banks, N.A.  
 (TIN: 20-3350821) Commercial - Waco Region  
 2068 N Valley Mills Dr 1700 N. Valley Mills Drive  
 Waco, TX 76710 Waco, TX 76710

**Principal Amount:** \_\_\_\_\_ **Date of Agreement:** \_\_\_\_\_

**DESCRIPTION OF EXISTING INDEBTEDNESS.** Promissory Note dated \_\_\_\_\_ in the original amount of \$ \_\_\_\_\_.

**DESCRIPTION OF COLLATERAL.** A security interest in Extraco Banks, N.A.,

**DESCRIPTION OF CHANGE IN TERMS.** Payments will be made according to the payment schedule below.

**PROMISE TO PAY.** NaturalShrimp Holdings, Inc., a Delaware Corporation ("Borrower") promises to pay to Extraco Banks, N.A. ("Lender"), or order, in lawful money of the United States of America, the principal amount of \_\_\_\_\_ or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 4,000% per annum based on a year of 360 days. Interest shall be calculated from the date of each advance until repayment of each advance or maturity, whichever occurs first. The interest rate may change under the terms and conditions of the "POST MATURITY RATE" section.

**CHOICE OF USURY CEILING AND INTEREST RATE.** The interest rate on this Agreement has been implemented under the "Weekly Ceiling" as referred to in Sections 303.002 and 303.003 of the Texas Finance Code. However, Lender reserves the right to implement a different interest rate and to renew such rate, provided Lender complies with the requirements of Sections 303.101, 102 and 103 of the Texas Finance Code.

**PAYMENT.** Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on \_\_\_\_\_. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date, beginning \_\_\_\_\_, with all subsequent interest payments to be due on the same day of each month after that. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any unpaid collection costs. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

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**INTEREST CALCULATION METHOD.** Interest on this loan is computed on a 365(360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding, unless such calculation would result in a usurious rate, in which case interest shall be calculated on a per diem basis of a year of 365 or 366 days, as the case may be. All interest payable under this loan is computed using this method.

**PREPAYMENT.** Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Prepayment in full shall consist of payment of the remaining unpaid principal balance together with all accrued and unpaid interest and all other amounts, costs and expenses for which Borrower is responsible under this Agreement or any other agreement with Lender pertaining to this loan, and in no event will Borrower ever be required to pay any unearned interest. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments of accrued unpaid interest. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. **All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Extraco Banks, N.A., Central Loan Operations, P.O. Box 6108 Temple, TX 76503-6108.**

**POST MATURITY RATE.** The Post Maturity Rate on this loan is the lesser of (A) the maximum rate allowed by law or (B) 17.000% per annum based on a year of 360 days. Borrower will pay interest on all sums due after final maturity, whether by acceleration or otherwise, at that rate.

**DEFAULT.** Each of the following shall constitute an Event of Default under this Agreement:

**Payment Default.** Borrower fails to make any payment when due under the Indebtedness.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

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**Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness evidenced by this Note.

**Change in Ownership.** Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment is curable, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire indebtedness, including the unpaid principal balance under this Agreement, all accrued unpaid interest, and all other amounts, costs and expenses for which Borrower is responsible under this Agreement or any other agreement with Lender pertaining to this loan, immediately due, without notice, and then Borrower will pay that amount.

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**EXPENSES.** If Lender institutes any suit or action to enforce any of the terms of this Agreement, Lender shall be entitled to recover such sum as the court may adjudge reasonable. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals, to the extent permitted by applicable law. Borrower also will pay any court costs, in addition to all other sums provided by law. In the event of foreclosure of this Agreement, Lender shall be entitled to recover from Borrower permissible fees and actual disbursements that Lender necessarily incurs in pursuing such foreclosure.

**GOVERNING LAW.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Texas without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Texas.

**CHOICE OF VENUE.** If there is a lawsuit, and if the transaction evidenced by this Agreement occurred in McLennan County, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of McLennan County, State of Texas.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** Borrower acknowledges this Agreement is secured by a security interest in Extraco Banks, N.A.

**LINE OF CREDIT.** This Agreement evidences a revolving line of credit. Advances under this Agreement may be requested either orally or in writing by Borrower or by an authorized person. Lender may, but need not, require that all oral requests be confirmed in writing. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Agreement at any time may be evidenced by endorsements on this Agreement or by Lender's internal records, including daily computer print-outs. Lender will have no obligation to advance funds under this Agreement if: (A) Borrower or any guarantor is in default under the terms of this Agreement or any agreement that Borrower or any guarantor has with Lender, including any agreement made in connection with the signing of this Agreement; (B) Borrower or any guarantor ceases doing

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business or is insolvent; (C) any guarantor seeks, claims or otherwise attempts to limit, modify or revoke such guarantor's guarantee of this Agreement or any other loan with Lender; (D) Borrower has applied funds provided pursuant to this Agreement for purposes other than those authorized by Lender; or (E) Lender in good faith believes itself insecure. **This revolving line of credit shall not be subject to Ch. 346 of the Texas Finance Code.**

**CONTINUING VALIDITY.** Except as expressly changed by this Agreement, the terms of the original obligation or obligations, including all agreements evidenced or securing the obligation(s), remain unchanged and in full force and effect. Consent by Lender to this Agreement does not waive Lender's right to strict performance of the obligation(s) as changed, nor obligate Lender to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s). It is the intention of Lender to retain as liable parties all makers and endorsers of the original obligation(s), including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, will not be released by virtue of this Agreement. If any person who signed the original obligation does not sign this Agreement below, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification or release, but also to all such subsequent actions.

**OTHER INDEBTEDNESS.** In addition to the Note, this Agreement secures all obligations, debts, and liabilities of any description of Grantor to Lender now owing or which may hereafter become owing, whether evidenced by note, open account, endorsement, surety, guaranty or otherwise. However, notwithstanding anything to the contrary contained in this Agreement, this Agreement shall not secure any obligations arising under Subchapters E and F of Chapter 342 of the Texas Finance Code, as amended; an obligation requiring the mandatory purchase of flood hazard insurance under the National Flood Insurance Reform Act of 1994 (12 CFR 22), as amended; an obligation of the type defined by Section 50(a)(6), Article XVI of the Texas Constitution (a Home Equity Loan); or any obligation which applicable law prohibits from being secured by this Agreement.

**RENEWAL AND EXTENSION.** This Agreement is given in renewal and extension and not in novation of the following described indebtedness:

**SUCCESSORS AND ASSIGNS.** Subject to any limitations stated in this Agreement on transfer of Borrower's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Borrower, Lender, without notice to Borrower, may deal with Borrower's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Borrower from the obligations of this Agreement or liability under the Indebtedness.

**MISCELLANEOUS PROVISIONS.** NOTICE: Under no circumstances (and notwithstanding any other provisions of this Agreement) shall the interest charged, collected, or contracted for on this Agreement exceed the maximum rate permitted by law. The term "maximum rate permitted by law" as used in this Agreement means the greater of (a) the maximum rate of interest

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permitted under federal or other law applicable to the indebtedness evidenced by this Agreement, or (b) the higher, as of the date of this Agreement, of the "Weekly Ceiling" or the "Quarterly Ceiling" as referred to in Sections 303.002, 303.003 and 303.006 of the Texas Finance Code. If any part of this Agreement cannot be enforced, this fact will not affect the rest of the Agreement. Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Texas (as applicable). Any such excess interest or unauthorized fee shall, instead of anything stated to the contrary, be applied first to reduce the principal balance of this loan, and when the principal has been paid in full, be refunded to Borrower. The right to accelerate maturity of sums due under this Agreement does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Lender does not intend to charge or collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of the loan evidenced by this Agreement until payment in full so that the rate or amount of interest on account of the loan evidenced hereby does not exceed the applicable usury ceiling. Lender may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them. Borrower and any other person who signs, guarantees or endorses this Agreement, to the extent allowed by law, waive presentment, demand for payment, notice of dishonor, notice of intent to accelerate the maturity of this Agreement, and notice of acceleration of the maturity of this Agreement. Upon any change in the terms of this Agreement, and unless otherwise expressly stated in writing, no party who signs this Agreement, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Agreement are joint and several.

**PRIOR TO SIGNING THIS AGREEMENT, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT. BORROWER AGREES TO THE TERMS OF THE AGREEMENT.**

**BORROWER:**  
**NATURALSHRIMP HOLDINGS, INC., A DELAWARE CORPORATION**

By: \_\_\_\_\_  
**Bill G. Williams, Chairman and CEO of NaturalShrimp Holdings, Inc., a Delaware Corporation**

**LENDER:**  
**EXTRACO BANKS, N.A.**

X \_\_\_\_\_  
**Authorized Signer**

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**OFFICER'S CERTIFICATE  
PURSUANT TO SECTION 302**

I, Bill G. Williams, certify that:

1. I have reviewed this Annual Report on Form 10-K of NaturalShrimp Incorporated for the period ended March 31, 2015;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: Date: July 28, 2015

By: /s/ Bill G. Williams  
Name: Bill G. Williams  
Title: Chief Executive Officer (Principal Executive Officer)



**OFFICER'S CERTIFICATE  
PURSUANT TO SECTION 302**

I, William Delgado, certify that:

1. I have reviewed this Annual Report on Form 10-K of NaturalShrimp Incorporated for the period ended March 31, 2015.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: Date: July 28, 2015

By: /s/ William Delgado  
Name: William Delgado  
Title: Chief Financial Officer and Treasurer (Principal Financial Officer  
and Principal  
Accounting Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this Annual Report on Form 10-K of NaturalShrimp Incorporated (the "Company") for the period ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: July 28, 2015

By: /s/ Bill G. Williams

Name: Bill G. Williams

Title: Chief Executive Officer (Principal Executive Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this Annual Report on Form 10-K of NaturalShrimp Incorporated (the "Company") for the period ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: July 28, 2015

By: /s/ William Delgado

Name: William Delgado

Title: Chief Financial Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)