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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended June 30, 2024

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	**74-3262176**
(State or other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
13601 Preston Road, Suite E1092, Dallas, TX 75240	**75240**
(Address of Principal Executive Offices)	(Zip Code)

(888) 791-9474
(Registrant's telephone number, including area code)

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

Title of each class	Trading symbol(s)	Name of exchange on which registered
None	N/A	N/A

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 every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act: ☐

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

As of August 14, 2024, there were 1,236,270,085 shares of the registrant's common stock outstanding.

NATURALSHRIMP INCORPORATED
FORM 10-Q
FOR THE THREE MONTHS ENDED JUNE 30, 2024

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

NATURALSHRIMP INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2024	March 31, 2024
ASSETS		
Current assets		
Cash	$ 4,978	$ 115,525
Accounts receivable	22,165	27,450
Inventory	60,352	68,510
Prepaid expenses	161,473	169,650
Total current assets	248,968	381,135
Fixed assets, net	12,845,980	13,301,245
Other assets		
Patents, net	5,781,000	5,878,500
License Agreement, net	7,792,376	8,062,376
Right of Use asset	69,717	73,449
Deposits	20,633	20,633
Total other assets	13,663,726	14,034,958
Total assets	$ 26,758,674	$ 27,717,338
LIABILITIES, MEZZANINE AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	$ 3,684,727	$ 3,495,689
Accrued interest	107,435	107,435
Accrued interest - related parties	264,343	254,593
Other accrued expenses	1,842,878	1,743,799
Accrued expenses - related parties	1,258,759	1,116,107
Short-term note and lines of credit	19,817	19,817
Notes payable	460,622	553,322
Restructured Senior note payable	27,690,000	27,120,000
Restructured August note payable	2,790,000	2,640,000
Notes payable - related parties	880,412	880,412
Dividends payable	619,896	544,800
Warrant liability	19,000	24,000
Lease liability, current	28,560	28,560
Total current liabilities	39,666,449	38,528,534
Lease liability, non-current	38,552	43,325
Total liabilities	39,705,001	38,571,859
Commitments and contingencies (Note 11)		
Series E Redeemable Convertible Preferred stock, $0.0001 par value, 10,000 shares authorized, 1,656 and 1,670 shares issued and outstanding at June 30, 2024 and March 31, 2024, respectively	1,987,200	1,977,900
Series F Redeemable Convertible Preferred stock, $0.0001 par value, 750,000 shares authorized, 750,000 shares issued and outstanding at June 30, 2024 and March 31, 2024, respectively	43,612,000	43,612,000
Series G Redeemable Convertible Preferred stock, $0.0001 par value, 10,000 shares authorized, 645 and 445 shares issued and outstanding at June 30, 2024 and March 31, 2024, respectively	671,000	432,000
Stockholders' deficit		
Series A Convertible Preferred stock, $0.0001 par value, 5,000,000 shares authorized, 5,000,000 shares issued and outstanding at June 30, 2024 and March 31, 2024, respectively	500	500
Common stock, $0.0001 par value, 1,400,000,000 shares authorized, 1,192,874,082 and 1,116,482,063 shares issued and outstanding at June 30, 2024 and March 31, 2024, respectively	119,351	111,712
Additional paid in capital	127,046,949	126,468,749
Stock to be issued	390,024	390,024
Subscription receivable	(56,250)	(56,250)
Accumulated deficit	(186,717,101)	(183,791,156)
Total stockholders' deficit	(59,216,527)	(56,876,421)

Total liabilities, mezzanine and stockholders' deficit	$ 26,758,674	$ 27,717,338

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

NATURALSHRIMP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For Three Months Ended	
	June 30, 2024	June 30, 2023
Sales	$ 36,618	$ 205,872
Cost of sales	34,732	49,741
Net revenue	1,886	156,131
Operating expenses:		
General and administrative	1,104,485	1,298,451
Facility operations	158,535	358,258
Depreciation	434,908	434,809
Amortization	367,500	367,500
Total operating expenses	2,065,428	2,459,018
Net loss from operations	(2,063,542)	(2,302,887)
Other income (expense):		
Interest expense	(3,899)	(2,713)
Interest expense - related parties	(9,750)	(6,250)
Change in fair value of warrant liability	5,000	50,000
Change in fair value of restructured notes payable	(720,000)	137,634
Extension fee	-	(180,000)
(Loss) gain on sale of machinery and equipment	(10,357)	5,785
Total other income (expense), net	(739,006)	4,456
Loss before income taxes	(2,802,548)	(2,298,431)
Provision for income taxes	-	-
Net loss	(2,802,548)	(2,298,431)
Accretion on Preferred shares	(48,300)	-
Dividends	(75,097)	(404,825)
Net loss available for common stockholders	$ (2,925,945)	$ (2,703,256)
Loss per share (Basic and Diluted)	$ (0.00)	$ (0.00)
WEIGHTED AVERAGE SHARES OUTSTANDING (Basic and Diluted)	1,167,281,937	839,745,626

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

NATURALSHRIMP INCORPORATED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIT
For the three months ended June 30, 2024 and 2023
(Unaudited)

	Series A Preferred stock		Common stock		Additional paid	Stock to be	Subscription	Accumulated	Total stockholders'
	Shares	Amount	Shares	Amount	in Capital	issued	receivable	deficit	deficit
Balance March 31, 2024	5,000,000	$ 500	1,116,482,063	$ 111,712	$ 126,468,749	$ 390,024	$ (56,250)	$ (183,791,156)	(56,876,421)
Issuance of common shares under financing agreement	-	-	66,392,019	6,639	479,200	-	-	-	485,839
Shares issued upon exchange of Partitioned Note	-	-	10,000,000	1,000	99,000	-	-	-	100,000
Accretion of Series E Preferred stock	-	-	-	-	-	-	-	(9,300)	(9,300)
Accretion on Series G Preferred stock	-	-	-	-	-	-	-	(39,000)	(39,000)
Dividends payable on Preferred stock	-	-	-	-	-	-	-	(75,097)	(75,097)
Net loss	-	-	-	-	-	-	-	(2,802,548)	(2,802,548)
Balance June 30, 2024	5,000,000	$ 500	1,192,874,082	$ 119,351	$ 127,046,949	$ 390,024	$ (56,250)	$ (186,717,101)	(59,216,527)
Balance March 31, 2023	5,000,000	$ 500	803,123,748	$ 80,377	$ 121,156,733	$ 662,767	$ (56,250)	$ (167,533,292)	(45,689,165)
Common stock issued for legal settlement to NSH shareholders	-	-	863,110	86	272,657	(272,743)	-	-	-
Issuance of common shares under financing agreements	-	-	40,187,311	4,019	1,294,493	-	-	-	1,298,512
Conversion of Series E Preferred Shares to common stock	-	-	23,989,570	2,399	825,601	-	-	(350,825)	477,175
Dividends payable on Series E Preferred Shares	-	-	-	-	-	-	-	(54,000)	(54,000)
Common stock issued to consultants	-	-	100,000	10	4,690	-	-	-	4,700
Net loss	-	-	-	-	-	-	-	(2,298,431)	(2,298,431)
Balance June 30, 2023	5,000,000	$ 500	868,263,739	$ 86,891	$ 123,554,174	$ 390,024	$ (56,250)	$ (170,236,548)	(46,261,209)

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

NATURALSHRIMP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For Three Months Ended	
	June 30, 2024	**June 30, 2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (2,802,548)	$ (2,298,431)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation expense	434,908	434,809
Amortization expense	367,500	367,500
Change in fair value of warrant liability	(5,000)	(50,000)
Change in fair value of restructured notes payable	720,000	(137,634)
Financing costs	7,300	120,000
(Loss) gain on sale of machinery and equipment	10,357	(5,785)
Shares issued for services	-	4,700
Amortization of operating lease right-of-use assets	3,732	20,293
Changes in operating assets and liabilities:		
Accounts receivable	5,285	(19,004)
Inventory	8,158	(20,932)
Prepaid expenses	8,177	32,462
Deferred offering costs	-	(55,503)
Accounts payable	189,038	35,636
Other accrued expenses	99,079	12,032
Accrued expenses - related parties	142,652	171,690
Accrued interest - related parties	9,750	6,250
Operating lease liabilities	(4,773)	(18,981)
Cash used in operating activities	(806,385)	(1,400,898)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for fixed assets	-	(39,308)
Cash received for sale of machinery and equipment	10,000	19,000
Cash provided by (used in) investing activities	10,000	(20,308)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of notes payable	-	(24,000)
Proceeds from sale of stock	485,838	1,298,512
Proceeds from sale of Series G Preferred Shares	200,000	-
Cash provided by financing activities	685,838	1,274,512
NET CHANGE IN CASH	(110,547)	(146,694)
CASH AT BEGINNING OF PERIOD	115,525	216,465
CASH AT END OF PERIOD	$ 4,978	$ 69,771
INTEREST PAID	$ 3,899	$ 7,472
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Shares issued upon conversion of Preferred stock	$ -	828,000
Shares issued upon exchange of Partitioned Note	$ 100,000	-
Dividends on Series E Preferred stock	$ -	$ 404,825
Dividends in kind issued	$ 75,097	$ 516,000
Shares issued/to be issued, for legal settlement	$ -	$ 272,743

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

NOTE 1 – NATURE OF THE ORGANIZATION AND BUSINESS

Nature of the Business

NaturalShrimp Incorporated ("NaturalShrimp" or the "Company"), a Nevada corporation, is a biotechnology company and has developed a proprietary technology that allows it to grow Pacific White shrimp (Litopenaeus vannamei, formerly Penaeus vannamei) in an ecologically controlled, high-density, low-cost environment, and in fully contained and independent production facilities. The Company's system uses technology which allows it to produce a naturally-grown shrimp "crop" weekly and accomplishes this without the use of antibiotics or toxic chemicals. The Company has developed several proprietary technology assets, including a knowledge base that allows it 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. The Company's production facilities are located in La Coste, Texas and Webster City, Iowa.

The Company has three wholly-owned subsidiaries including NaturalShrimp USA Corporation ("NSC") and NaturalShrimp Global, Inc. ("NS Global") and Natural Aquatic Systems, Inc. ("NAS"), and owns 51% of NaturalShrimp/Hydrenesis LLC, a Texas limited liability company.

Going Concern

The accompanying condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"), assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. For the three months ended June 30, 2024, the Company had a net loss available for common stockholders of approximately $2,926,000. As of June 30, 2024, the Company had an accumulated deficit of approximately $186,717,000 and a working capital deficit of approximately $39,417,000. These factors raise substantial doubt about the Company's ability to continue as a going concern, within one year from the issuance date of this filing. The Company's ability to continue as a going concern is dependent on its ability to raise the required additional capital or debt financing to meet short and long-term operating requirements. During the three months ended June 30, 2024, the Company received net cash proceeds of approximately $486,000 from the sale of common shares (See Note 8), and $200,000 from the sale of Series G Preferred stock. Subsequent to period end, the Company received approximately $42,000 for the sale of common shares and $100,000 from the sale of Series G Preferred stock (See Note 12).

Management believes that private placements of equity capital will be needed to fund the Company's 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, the percentage ownership of its 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 operations. The Company continues to pursue external financing alternatives to improve its working capital position. If the Company is unable to obtain the necessary capital, the Company may be unable to develop its facilities and enter into production.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed financial information as of and for the three months ended June 30, 2024 and 2023 has been prepared in accordance with US GAAP for interim financial information and with the instructions to Quarterly Report on Form 10-Q and Article 10 of Regulation S-X. In the opinion of management, such financial information includes all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation of our condensed consolidated financial position at such date and the condensed consolidated operating results and cash flows for such periods. Operating results for the three months ended June 30, 2024 are not necessarily indicative of the results that may be expected for the entire year or for any other subsequent interim period.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been omitted pursuant to the rules of the U.S. Securities and Exchange Commission ("SEC"). These condensed consolidated unaudited financial statements and related notes should be read in conjunction with our audited financial statements for the year ended March 31, 2024 included in the Company's Annual Report on Form 10-K filed with the SEC on July 17, 2024.

The condensed consolidated balance sheet at March 31, 2023 has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by GAAP for complete financial statements.

Consolidation

The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, including NSC, NS Global and NAS, and owns 51% of NaturalShrimp/Hydrenesis LLC, a Texas limited liability company. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

Preparing financial statements in conformity with US GAAP 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.

Basic and Diluted Earnings/Loss per Common Share

Basic and diluted earnings or loss per share ("EPS") amounts in the unaudited condensed consolidated financial statements are computed in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 260 – 10 "*Earnings per Share*", which establishes the requirements for presenting EPS. Basic EPS is based on the weighted average number of shares of common stock outstanding. Diluted EPS is based on the weighted average number of shares of common stock 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 shares of common stock outstanding (denominator) during the period. As of the three months ended June 30, 2024, the Company had 5,000,000 Series A Convertible Preferred Stock which would be converted at the holder's option into approximately 1,192,874,000 underlying common shares, 1,656 of Series E Redeemable Convertible Preferred shares whose approximately 5,678,000 underlying shares are convertible at the investors' option at a fixed conversion price of $0.35, 750,000 shares of Series F Preferred Stock which would be converted at the holders' option into approximately 286,290,000 underlying common shares, 645 of Series G Redeemable Convertible Preferred shares whose approximately 387,000,000 underlying shares are convertible at the investors' option at a conversion price based on the discounted market price of $0.002 and 18,573,116 warrants outstanding which were not included in the calculation of diluted EPS as their effect would be anti-dilutive. As of the three months ended June 30, 2023, the Company had 5,000,000 Series A Convertible Preferred Stock which would be converted at the holder's option into approximately 868,264,000 underlying common shares, 1,500 of Series E Redeemable Convertible Preferred shares whose approximately 5,143,000 underlying shares are convertible at the investors' option at a fixed conversion price of $0.35, 750,000 shares of Series F Preferred Stock which would be converted at the holders' option into approximately 208,383,000 underlying common shares, and 18,573,116 warrants outstanding which were not included in the calculation of diluted EPS as their effect would be anti-dilutive.

Fair Value Measurements

ASC Topic 820, "*Fair Value Measurement"*, requires that certain financial instruments be recognized at their fair values at the balance sheet dates. However, other financial instruments, such as debt obligations, are not required to be recognized at their fair values, but US GAAP provides an option to elect fair value accounting for these instruments. US 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. 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 the operating results or within comprehensive income (loss) of the respective period. 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 operating results in the period the remeasurement occurred.

The Company did not have any Level 1 or Level 2 assets and liabilities at June 30, 2024 and March 31, 2023.

The warrant liabilities and fair value option on Restructured notes, are Level 3 fair value measurements.

The following is a summary of activity of Level 3 during the nine months ended June 30, 2024 and the year ended March 31, 2024:

Warrant liability

	June 30, 2024 (unaudited)	March 31, 2024
Warrant liability balance at beginning of period	$ 24,000	$ 355,000
Change in fair value	(5,000)	(331,000)
Balance at end of period	$ 19,000	$ 24,000

At June 30, 2024, the fair value of the warrant liability was estimated using a Black Sholes option pricing model with the following inputs: the price of the Company's common stock of $0.011; a risk-free interest rate ranging from 4.52% to 4.71%; and expected volatility of the Company's common stock ranging from 128.3% to 137.7% and the remaining terms of each warrant issuance.

At March 31, 2024, the fair value of the warrant liability was estimated using a Black Sholes option pricing model with the following weighted-average inputs: the price of the Company's common stock of $0.011; a risk-free interest rate ranging from 4.40% to 4.59%, and expected volatility of the Company's common stock ranging from 124.8% to 133.8% and the remaining terms of each warrant issuance.

Restructured August and Senior Notes Payable

	June 30, 2024	March 31, 2024
Restructured notes payable fair value at beginning of period	$ 29,760,000	$ 23,690,000
Reclass of accrued interest	-	907,634
Change in fair value	720,000	5,162,366
Restructured notes payable fair value at end of period	$ 30,480,000	$ 29,760,000

On November 4, 2022, when the Company entered into a Restructuring Agreement for an Amended and Restated Secured Promissory Note for two of their outstanding debentures (Note 6 and Note 7), which were accounted for as debt extinguishment, the Company elected to recognize the new debt under the fair value option within ASC Topic 825, "*Financial Instruments*." The fair value for both periods is based on the maturity dates, the interest of 12%, the 15% exit fee, the 2% appreciation fee for an estimated period, and a 45% and 40% present value factor, respectively as of June 30, 2024 and March 31, 2024.

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. The carrying amount of these financial instruments, with the exception of discounted debt, as reflected in the unaudited condensed consolidated balance sheets approximates fair value.

Cash and Cash Equivalents

For the purpose of the unaudited condensed consolidated 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 June 30, 2024 and March 31, 2024.

Concentration of Credit Risk

The Company maintains cash balances at two financial institutions. Accounts at this institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. As of June 30, 2024 and March 31, 2024, the Company's cash balance did not exceed FDIC coverage. The Company has not experienced any losses in such accounts and periodically evaluates the credit worthiness of the financial institutions and has determined the credit exposure to be negligible.

Fixed Assets

Equipment is carried at historical value or cost and is depreciated using the straight-line method over the estimated useful lives of the related assets. Estimated useful lives are as follows:

Buildings	39 years
Machinery and Equipment	7 – 10 years
Vehicles	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.

Stock-Based Compensation

The Company accounts for stock-based compensation to employees and non-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 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.

Intangible Assets

The Company has intangible assets, which were acquired in a patent acquisition, and license rights agreements. The Company's patents represent definite lived intangible assets and will be amortized over the twenty-year duration of the patent, unless at some point the useful life is determined to be less than the protected life of the patent. The Company's license rights will be amortized on a straight-line basis over the expected term of the agreements of ten years. For the three months ended June 30, 2024 and June 30, 2023, the amortization of the patents was $97,500 and $97,500 and in the amortization of the license rights was $270,000 and $270,000, respectively.

The Company periodically evaluates the remaining useful lives of its finite-lived intangible assets to determine whether events and circumstances warrant a revision to the remaining period of amortization. As of June 30, 2024, the Company believes the carrying value of the intangible assets are still recoverable, and there is no impairment to be recognized.

License agreements

On August 25, 2021, the Company, through its 100% owned subsidiary NAS, entered into an Equipment Rights Agreements with Hydrenesis-Delta Systems, LLC ("Hydrenesis-Delta") and a Technology Rights Agreement, in a sub-license agreement with Hydrenesis Aquaculture LLC ("Hydrenesis-Aqua").Both Rights agreements are for a 10-year term, which shall automatically renew for ten-year successive terms. The agreements accord the exclusive rights to purchase or distribute the technology, or buy or rent the equipment, which is the primary business and revenue stream generated from indoor aquaculture farming of any species in the territory, which will be named the NSI Technologies and Equipment ("NSI Technologies").

The terms of the Agreements set forth that NAS will pay Hydrenesis 12.5% royalty fees. The royalties are calculated per all customer or sub-license revenue generated by NAS, NSI or any affiliate, from the sale or rental of either the Technologies or Hydrenesis Equipment, based on gross revenue less returns, rebates and sales taxes. There are sales milestones for exclusivity, whereby if NAS fails to achieve a sales milestone starting in Year 3, the exclusivity rights in both of the Rights agreements shall revert to non-exclusive rights. To maintain the exclusivity for the subsequent year, the Company may pay the amount of the royalty fees that would have been due if the Sales Milestones had been met in the current year.

Impairment of Long-lived Assets

The Company will periodically evaluate the carrying value of long-lived assets to be held and used when events and circumstances warrant such a review and at least annually. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. Losses on long-lived assets to be disposed of are determined in a similar manner, except that fair values are reduced for the cost to dispose.

Commitments and Contingencies

Certain conditions may exist as of the date the unaudited condensed consolidated financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company's management and its legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's unaudited condensed consolidated financial statements. If the assessment indicates that a potentially material loss contingency is not probable, but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the nature of the guarantee would be disclosed.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606, "Revenue from Contracts with Customers", as such, the Company records revenue when its customers obtain control of the promised goods or services in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company will sell primarily to food service distributors, as well as to wholesalers, retail establishments and seafood distributors. Additionally, the Company will sell or rent the NSI Technologies.

To determine revenue recognition for the arrangements that the Company determines are within the scope of Topic 606, the Company performs the following five steps: (1) identify the contract(s) with a customer by receipt of purchase orders and confirmations sent by the Company which includes a required line of credit approval process, (2) identify the performance obligations in the contract which includes shipment of goods to the customer FOB shipping point or destination, (3) determine the transaction price which initiates with the purchase order received from the customer and confirmation sent by the Company and will include discounts and allowances by customer if any, (4) allocate the transaction price to the performance obligations in the contract which is the shipment of the goods to the customer and transaction price determined in step 3 above and (5) recognize revenue when (or as) the entity satisfies a performance obligation which is when the Company transfers control of the goods to the customers by shipment or delivery of the products.

In the future, if the Company has customers with long-term contracts for multiple shipments of live shrimp, the Company will elect the right-to-invoice practical expedient and any variable consideration estimate will be excluded from the transaction price and the revenue will be recognized directly when the goods are delivered.

	Three months ended	
	June 30, 2024	**June 30, 2023**
Shrimp sales	$ 36,618	$ 55,872
Technology and equipment services	-	150,000
Total revenues	$ 36,618	$ 205,872

Recently Issued Accounting Standards

In November 2023, the FASB issued Accounting Standards Update ("ASU") No. 2023-07, "*Segment Reporting (Topic* 280*) Improvements to Reportable Segment Disclosures"* which expands annual and interim disclosure requirements for reportable segments. The amendments require enhanced disclosure for certain segment items and required disclosure on how management uses reported measures to assess segment performance. The amendments do not change how segments are determined, aggregated, or how thresholds are applied to determine reportable segments. The updated standard is effective for annual periods beginning in fiscal 2025 and interim periods beginning in the first quarter of fiscal 2026. Early adoption is permitted. The Company is currently evaluating the effect of adopting this ASU.

In December 2023, the FASB issued ASU No. 2023-09 "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures"* which requires two primary enhancements of 1) disaggregated information on a reporting entity's effective tax rate reconciliation, and 2) information on cash income taxes paid. Additionally, specific disclosures related to unrecognized tax benefits and indefinite reinvestment assertions were removed. For public business entities, the new requirements will be effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. The Company is currently evaluating the effect of adopting this ASU.

In August 2020, the FASB issued Accounting Standards Update ("ASU") 2020-06, "Debt - Debt with Conversion and Other Options (Subtopic 470- 20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity" ("ASU 2020-06"), which simplifies the accounting for certain financial instruments with characteristics of liabilities and equity. This ASU (1) simplifies the accounting for convertible debt instruments and convertible preferred stock by removing the existing guidance in ASC 470-20, "Debt: Debt with Conversion and Other Options", that requires entities to account for beneficial conversion features and cash conversion features in equity, separately from the host convertible debt or preferred stock; (2) revises the scope exception from derivative accounting in ASC 815-40 for freestanding financial instruments and embedded features that are both indexed to the issuer's own stock and classified in stockholders' equity, by removing certain criteria required for equity classification; and (3) revises the guidance in ASC 260 to require entities to calculate diluted earnings per share (EPS) for convertible instruments by using the if-converted method. In addition, entities must presume share settlement for purposes of calculating diluted EPS when an instrument may be settled in cash or shares. For SEC filers, excluding smaller reporting companies, ASU 2020-06 is effective for fiscal years beginning after December 15, 2021 including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020. For all other entities, ASU 2020-06 is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Entities should adopt the guidance as of the beginning of the fiscal year of adoption and cannot adopt the guidance in an interim reporting period. The Company adopted ASU 2020-06 as of April 1, 2024, which had no impact on its consolidated financial statements and related disclosures.

As of June 30, 2024, there were a few new accounting pronouncements issued by the FASB. 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.

Management's Evaluation of Subsequent Events

The Company evaluates events that have occurred after the accompanying condensed consolidated balance sheet date of June 30, 2024, through the date which the unaudited condensed consolidated financial statements were issued. Based upon the review, other than described in Note 12 – Subsequent Events, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the unaudited condensed consolidated financial statements.

NOTE 3 – FIXED ASSETS

A summary of the fixed assets as of June 30, 2024 and March 31, 2024 is as follows:

	June 30, 2024 (unaudited)	March 31, 2024
Land	$ 324,293	$ 324,293
Buildings	6,624,549	6,624,549
Machinery and equipment	11,210,985	11,210,985
Autos and trucks	188,414	208,771
	18,348,241	18,368,598
Accumulated depreciation	(5,502,261)	(5,067,353)
Fixed assets, net	$ 12,845,980	$ 13,301,245

The unaudited condensed consolidated statements of operations reflect depreciation expense of approximately $435,000 and $435,000 for the three months ended June 30, 2024 and 2023, respectively.

NOTE 4 – SHORT-TERM NOTE AND LINES OF CREDIT

The Company 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 25.9 basis points, which totaled 34.4% as of June 30, 2024. The line of credit is unsecured. The balance of the line of credit was $9,580 at both June 30, 2024 and March 31, 2024.

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 10 basis points, which totaled 18.5% as of June 30, 2024. The line of credit is secured by assets of the Company's subsidiaries. The balance of the line of credit is $10,237 at June 30, 2024 and March 31, 2024.

NOTE 5 –NOTES PAYABLE

January 2023 Note

On January 20, 2023, the Company entered into a secured promissory note ("January 2023 Note") with an investor (the "Investor"). The January 2023 Note is in the aggregate principal amount of $631,968. The Note has an interest rate of 10% per annum, with a maturity date nine months from the issuance date of the Note. The Note carried an original issue discount totaling $56,868, whereby the purchase price is $575,100. All payments made by the Company under the terms in the note, including upon repayment of this Note at maturity, shall be subject to an exit fee of 15% of the portion of the Outstanding Balance being paid. The cash was not transferred to the Company's bank account, but instead to a planned merger entity, Yotta Acquisition Corporation, ("Yotta") for a contribution to a required extension fee for the business combination. On November 17, 2023, the Company received an extension of the maturity date to June 30, 2024, for a $5,000 extension fee. The maturity date has been further extended to August 15, 2024.

On November 8, 2023, the Company and the Investor entered into an Exchange Agreement on the January 2023 Note. In the Exchange Agreement the original note was partitioned into a $132,000 new promissory note, leaving the original January 2023 Note with an adjusted balance of $499,968. The partitioned note was exchanged for 10,000,000 shares of the Company's common stock. The shares of common stock issued had a fair value of $160,000 based on the market price of the shares of $0.016 on the execution date, resulting in an excess of $28,000 to be recognized as a financing expense.

On January 17, 2024, the Company and the Investor entered into an Exchange Agreement on the January 2023 Note. In the Exchange Agreement the remaining January 2023 Note was partitioned into a $99,450 new promissory note, leaving the original January 2023 Note with an adjusted balance of $400,518. The partitioned note was exchanged for 10,000,000 shares of the Company's common stock. The shares of common stock issued had a fair value of $110,000 based on the market price of the shares of $0.011 on the execution date, resulting in an excess of $10,550 to be recognized as a financing expense.

On February 22, 2024, the Company and the Investor entered into an Exchange Agreement on the January 2023 Note. In the Exchange Agreement the remaining January 2023 Note was partitioned into a $91,800 new promissory note, leaving the original January 2023 Note with an adjusted balance of $313,718. The partitioned note was exchanged for 10,000,000 shares of the Company's common stock. The shares of common stock issued had a fair value of $190,000 based on the market price of the shares of $0.019 on the execution date, resulting in an excess of $98,200 to be recognized as a financing expense.

On April 3, 2024, the Company and the Investor entered into an Exchange Agreement on the January 2023 Note. In the Exchange Agreement the remaining January 2023 Note was partitioned into a $92,700 new promissory note, leaving the original January 2023 Note with an adjusted balance of $221,018. The partitioned note was exchanged for 10,000,000 shares of the Company's common stock. The shares of common stock issued had a fair value of $100,000 based on the market price of the shares of $0.010 on the execution date, resulting in an excess of $7,300 to be recognized as a financing expense.

April 2023 Promissory Note

On April 21, 2023, the Company entered into a $60,000 promissory note with Yotta Investment LLC ("Yotta Investment"), with no interest to accrue on the principal balance. The promissory note is to be settled on the date of closing of the business combination contemplated by the Merger Agreement with Yotta Acquisition Corporation, ("Merger Agreement"). Upon the occurrence of an event of default, including the termination of the Merger Agreement, the unpaid principal balance of this note, and all other sums payable with regard to this note, shall automatically and immediately become due and payable, in all cases without any action on the part of the Company. The Merger Agreement has been terminated in July 2023, and management believes the promissory note will be settled in the Breakup Fee.

May 2023 Promissory Note

On May 17, 2023, the Company entered into an additional $60,000 promissory note with Yotta Investment, with no interest to accrue on the principal balance. The promissory note is to be settled on the date of closing of the business combination contemplated by the Merger Agreement with Yotta Acquisition Corporation. Upon the occurrence of an event of default, including the termination of the Merger Agreement, the unpaid principal balance of this note, and all other sums payable with regard to this note, shall automatically and immediately become due and payable, in all cases without any action on the part of the Company. The Merger Agreement has been terminated in July 2023, and management believes the promissory note will be settled in the Breakup Fee.

Ms. Williams Promissory Note

On July 15, 2020, the Company issued a promissory note to Ms. Williams in the amount of $383,604 to settle the amounts that had been recognized per the separation agreement with the late Mr. Bill Williams dated August 15, 2019, for his portion of the related party notes and related accrued interest discussed above, and accrued compensation and allowances. The note bears interest at one percent per annum and calls for monthly payments of $8,000 until the balance is paid in full. Since the time after the year ended March 31, 2023, the Company has not made the monthly payments. The balance as of both June 30, 2024 and March 31, 2024 was $119,604 included in the Notes payable classified in current liabilities, on the condensed consolidated balance sheets.

NOTE 6 – RESTRUCTURED AUGUST NOTE PAYABLE

The Company entered into a securities purchase agreement (the “SPA”) with an investor (the “Investor”) on August 17, 2022. Pursuant to the SPA, the Investor purchased a secured promissory note (the “Note”) in the aggregate principal amount totaling approximately $5,433,333. The Note has an interest rate of 12% per annum, with a maturity date nine months from the issuancedate of the Note. The Note carried an original issue discount totaling $433,333 and a transaction expense amount of $10,000, both of which are included in the principal balance of the Note. On the closing date the Company received $1,100,000, with $3,900,000 put into escrow to be held until certain terms were to be met, which included $3,400,000 upon the completion of a successful uplist to NYSE or NASDAQ. The SPA includes a Security Agreement, whereby the note is secured by the collateral set forth in the agreement, covering all of the assets of the Company. All payments made by the Company under the terms in the note, including upon repayment of this Note at maturity, shall be subject to an exit fee of 15% of the portion of the outstanding balance being paid (the “Exit Fee”). As the Exit Fee is to be included in every settlement of the Note, an additional 15% of the principal balance, which totals $816,500, was recognized along with the principal balance, and offset by a contra account in a manner similar to a debt discount.

As soon as reasonably possible, the Company will cause the common stock to be listed for trading on either of (a) NYSE, or (b) NASDAQ (in either event, an “Uplist”). In the event the Company has not effectuated the Uplist by November 15, 2022, the then-current outstanding balance will be increased by 10%. Following the Uplist, while the Note is still outstanding, ten days after the Company may have a sale of any of its shares of common stock or preferred stock, there shall be a Mandatory Prepayment equal to the greater of $3,000,000 or thirty-three percent of the gross proceeds of the equity sale.

In conjunction with the Merger Agreement, entered into on October 24, 2022, with Yotta Acquisition Corporation, on November 4, 2022, the Company entered into a Restructuring Agreement for an Amended and Restated Secured Promissory Note (the “August Note”), through which the August Note was amended and restated in its entirety. The Restructured August Note decreased the principal to $1,748,667, less an OID of $138,667, and the amount in escrow was returned to the investor, The Restructuring Agreement included key modifications, in which i) the Uplist terms were removed, ii) in the event that the closing of the Merger does not occur on or before December 31, 2022, the then-current Outstanding Balance will be increased by 2% and shall increase by 2% every 30 days thereafter until the closing or termination of the Merger Agreement, and iii) the outstanding balance of the Convertible Note may be increased by 5% to 15% upon the occurrence of an event of default or failure to obtain the Lender’s consent or notify the Lender for certain major equity related transactions (“Trigger Events”). The Merger had not yet closed, and therefore the 2% of the outstanding balance was increased as of June 30, 2023, in the amount of approximately $272,000. On July 20, 2023, the Company sent Yotta notice of the Company’s termination of the Merger Agreement. On November 20, 2023, the maturity date was extended to June 30, 2024. The maturity date has been further extended to August 15, 2024.

The Restructured August Note was analyzed under ASC 470-50 as to if the change in terms qualified as a modification or an extinguishment of the note . The changes in terms were considered an extinguishment as the present value of the cash flows under the terms of the new debt instrument was evaluated to be a substantial change, as over 10% difference from the present value of the remaining cash flows under the terms of the original instrument. As such, with the removal of the original note and its debt discount and accrued interest as compared to the restructured note with a fair value of approximately $1,933,000, there was a loss in extinguishment of approximately $157,000. As a result of the extinguishment and at the Company's election of the fair value option under ASC 825, the August Note will be accounted for at fair value until they are settled. In accordance with ASC 815- 15-25-1(b) a hybrid instrument that is measured at fair value under ASC 825 fair value option each period with changes in fair value reported in earnings as they occur should not be evaluated for embedded derivatives. Therefore, the provisions in the August Note were not evaluated as to if they fell under the guidance of embedded derivatives and were required to be bifurcated. The August Note was revalued as of June 30, 2024 at approximately $2,790,000, with a change in fair value of approximately $150,000. The August Note was revalued as of March 31, 2024 at approximately $2,640,000, with a change in fair value of approximately $240,000 in the current year recognized in the accompanying condensed Consolidated Statement of Operations. As of June 30, 2024, the accrued interest from the restructuring date, which is included in the fair value is approximately $490,000.

NOTE 7 – RESTRUCTURED SENIOR NOTE PAYABLE

December 15, 2021 Debenture

The Company entered into a securities purchase agreement (the "SPA") with an investor (the "Investor") on December 15, 2021. Pursuant to the SPA, the Investor purchased a secured promissory note (the "Note") in the aggregate principal amount totaling approximately $16,320,000 (the "Principal Amount"). The Note has an interest rate of 12% per annum, with a maturity date 24 months from the issuance date of the Note (the "Maturity Date").

Beginning on the date that is 6 months from the issuance date of the Note, the Investor had the right to redeem up to $1,000,000 of the outstanding balance per month. Payments could have been made by the Company, at the Company's option, (a) in cash, or (b) by paying the redemption amount in the form of shares of the Company's common stock, par value $0.0001 per share (the "Common Stock"), per the following formula: the number of redemption shares equals the portion of the applicable redemption amount divided by the Redemption Repayment Price. The "Redemption Repayment Price" equaled 90% multiplied by the average of the two lowest volume weighted average price per share of the Common Stock during the ten (10) trading days immediately preceding the date that the Investor delivers notice electing to redeem a portion of the Note. The redemption amount shall include an Exit Fee, consisting of a premium of 15% of the portion of the outstanding balance being paid. As the Exit Fee is to be included in every settlement of the Note, an additional 15% of the principal balance, which totals $2,448,000, was recognized along with the principal balance, and offset by a contra account in a manner similar to a debt discount. In addition to the Investor's right of redemption, the Company has the option to prepay the Notes at any time prior to the Maturity Date by paying a premium of 15% plus the principal, interest, and fees owed as of the prepayment date.

On November 4, 2022, the Company entered into a Restructuring Agreement for an Amended and Restated Secured Promissory Note (the "Senior Note") with the December 2021 Investor through which the December 2021 Note was amended and restated in its entirety. These amendments were made in conjunction with the Merger Agreement, entered into on October 24, 2022, with Yotta Acquisition Corporation. The main modification of the terms of the Senior Note was that the conversion feature was eliminated. Second, a Mandatory Payment was added whereby within 3 trading days of the closing upon the Merger an amount equal to the lesser of (A) one-third of the amount retained in the Trust Account at the Effective Time or (B) $10,000,000, in order to repay a portion of the outstanding balance of the Senior Note; after which the remaining balance of the Senior Note is to be repaid in equal monthly installments over a 12-month period beginning on a date after the Merger Agreement closing date ("Closing Date") or the termination of such agreement. All payments made shall be subject to an Exit Fee of 15% of the portion of the outstanding balance being paid. Additionally, if the Closing Date is after December 31, 2022, the outstanding balance of all indebtedness owed by the Company to December 2021 Investor will be increased automatically by 2% and will automatically increase by 2% every 30 days thereafter until the closing, a termination, or substantially similar terms as approved by the Board of Directors of the Company. Additional key modifications include i) uplist terms in which the Company was to cause the common stock to be listed for trading on either of (a) NYSE, or (b) NASDAQ, were removed, ii) Maturity date was modified from December 15, 2023 to 12 months from the closing or termination of the Merger Agreement, provided not to be later than September 30, 2024, and iii) the outstanding balance of the Senior Note may be increased by 5% to 15% upon the occurrence of an event of default or failure to obtain the Lender's consent or notify the Lender for certain major equity related transactions ("Trigger Events"). As of June 30, 2023, the Merger had not yet closed, and therefore the 2% of the outstanding balance was increased as of June 30, 2023, in the amount of approximately $2,675,000. On July 20, 2023, the Company sent Yotta notice of the Company's termination of the Merger Agreement. Based on the termination in July of 2023, the equal monthly payments were to begin on September 20, 2023. On July 3, 2024, the Investor issued a waiver to the Company on the equal monthly payments, which are not currently required to be paid, through August 15, 2024.

The Note also contains certain negative covenants and Events of Default, which in addition to common events of default, include the Company fails to maintain the share reserve, the occurrence of a Fundamental Transaction without the Lenders written consent, the Company effectuates a reverse split of its common stock without 20 trading days written notice to Lender, fails to observe or perform or breaches any covenant, and, the Company or any of its subsidiaries, breaches any covenant or other term or condition contained in any Other Agreements in any material. Upon an Event of a Default, at its option and sole discretion, the Investor may consider the Note immediately due and payable. Upon such an Event of Default, the interest rate increases to 18% per annum and the outstanding balance of the Note increases from 5% to 15%, depending upon the specific Event of Default. As of June 30, 2024, the Company is in full compliance with the covenants and Events of Default.

The Restructured Senior Note was analyzed under ASC 470-50 as to if the change in terms qualified as a modification or an extinguishment of the note. The changes in terms were considered an extinguishment as the conversion feature has been eliminated and therefore the modified Senior Note is determined to be fundamentally different from the original convertible note. As such, with the removal of the original note and its debt discount and accrued interest as compared to the restructured note with a fair value of approximately $18,914,000, there was a gain in extinguishment of approximately $2,540,000. As of the restructuring date the derivative had a fair value of $12,290,000, based on assumptions used in a bi-nomial option pricing model, which resulted in a change in fair value of $17,738,000 as of the restructuring date, from its previous fair value of $30,028,000. The key valuation assumptions used consist, in part, of the price of the Company's common stock of $0.16 at issuance date; a risk-free interest rate of 3.73% and expected volatility of the Company's common stock, of 117.77%, and the strike price of $0.1017.

As a result of the extinguishment and at the Company's election of the fair value option under ASC 825, the Company will account for the Restructured Senior Note at fair value every period end until it is settled. In accordance with ASC 815- 15-25-1(b) a hybrid instrument that is measured at fair value under ASC 825 fair value option each period with changes in fair value reported in earnings as they occur should not be evaluated for embedded derivatives. Therefore, the Company did not evaluate the provisions in the Restructured Senior Note as to whether they fell under the guidance of embedded derivatives and were required to be bifurcated. The Restructured Senior Note was revalued as of June 30, 2024 at approximately $27,690,000, with a change in fair value of approximately $570,000 recognized in the Company's accompanying condensed consolidated Statement of Operations. The Restructured Senior Note was revalued as of March 31, 2024 at approximately $27,120,000, with a change in fair value of approximately $5,830,000 recognized in the Company's accompanying condensed Consolidated Statement of Operations. As of June 30, 2024, the accrued interest from the restructuring date, which is included in the fair value is approximately $6,463,000.

NOTE 8 – STOCKHOLDERS' EQUITY

Preferred Stock

As of June 30, 2024 and March 31, 2024, the Company had 200,000,000 shares of preferred stock authorized with a par value of $0.0001. Of this amount, 5,000,000 shares of Series A preferred stock are authorized and outstanding, 5,000 shares Series B preferred stock are authorized and no shares outstanding, 5,000 shares Series D preferred stock are authorized with no shares outstanding, 10,000 shares Series E preferred stock are authorized with 1,656 outstanding , 750,000 shares of Series F preferred stock are authorized with 750,000 outstanding, and 10,000 shares of Series G preferred stock are authorized with 645 and 445 outstanding, respectively.

Series G Preferred Stock

On December 1, 2023, the Board authorized the issuance of 10,000 preferred shares to be designated as Series G Preferred Stock ("Series G Preferred Stock"). The Series G Preferred Stock has a par value of $0.0001, a stated value of $1,200 and bear dividends at the rate of 8% per annum, payable quarterly, to be paid in cash or in-kind, at the discretion of the Company. The Series G Preferred Stock will vote together with the common stock on an as-converted basis subject to the beneficial ownership limitations. The Series G Preferred Stock is required to be redeemed by the Company no later than one calendar year from the date of its issuance. The Series G Preferred Stock is also redeemable at the option of the Company at any time after the original issued date, upon 3 business days' notice, at a premium rate which is (a) 1.15 if all of the Series G Preferred Stock is redeemed within 90 calendar days from the issuance date thereof; (b) 1.2 if all of the Series G Preferred Stock is redeemed after 90 calendar days and within 120 calendar days from the issuance date thereof; (c) 1.25 if all of the Series G PS is redeemed after 120 calendar days and within 180 calendar days from the issuance date thereof. The Company shall be permitted to redeem the Series G Preferred Stock at any time in cash upon 3 business days prior notice to the Holder or the Holder may convert the Series G Preferred Stock within 3 business days period prior to redemption. The Holder shall have the right to either redeem for cash or convert the Series G Preferred Stock into common stock within 3 business days following the consummation of a qualified offering. The conversion price is based on the discounted market price which is the lower of: (i) A fixed price equaling the closing bid price for the common stock on the trading day preceding the execution of the SPA ; or (ii) 100% of the lowest volume weighted average price ("VWAP)" for the common stock during 10 trading days preceding the conversion request, subject to adjustment.

As the redemption feature is mandatorily redeemable within one year of the issuance date, with a substantive conversion option, the Series G Preferred Stock would not fall under liability classification but is to be classified as mezzanine equity.

Series G Preferred Equity Offering

On December 14, 2023, the Company entered into a Securities Purchase Agreement for the sale of 110 shares of Series G Preferred Stock at a price of $1,000 per share of preferred stock, for a total of $110,000. The Purchaser also received an "Equity Incentive", which was an additional 35 Series G Preferred Stock issued to the Purchaser at the initial closing and deemed to be earned at the time of its issuance. Following the initial closing, the Company and Purchaser shall mutually agree from time to time for the Company to sell and the Purchaser to purchase up to 400 shares of Series G Preferred Stock at a price of $1,000 per share in separate closings. The Series G Preferred Stock will earn a dividend of 8% per annum, for as long as the relevant Preferred Stock has not been redeemed or converted. Dividends are to be paid quarterly, and at the Company's discretion, in cash or Preferred Stock calculated at the purchase price. On December 19, 2023, the Company received an initial tranche of $110,000 under the SPA, less $13,000 for legal and commission fees. The $77,000 discount will be accreted up to the redemption price over the one-year period until redemption.

On January 24, 2024, the Company received a tranche of $100,000 under the SPA for 100 Series G Preferred Stock with a stated value of $120,000, less $3,000 for legal and commission fees. The $23,000 discount will be accreted up to the redemption price over the one-year period until redemption.

On February 23, 2024, the Company entered into a consulting agreement in which it was required to issue the consultant a retainer fee to be either $180,000 in cash or $200,000 in shares of the Company's preferred stock. The Company issued 200 of their Series G, with a stated value of $240,000. The $40,000 discount will be accreted up to the redemption price over the one-year period until redemption.

On April 23, 2024, the Company received a tranche of $100,000 under the SPA for 100 Series G Preferred Stock with a stated value of $120,000. The $20,000 discount will be accreted up to the redemption price over the one-year period until redemption.

On June 12, 2024, the Company received a tranche of $100,000 under the SPA for 100 Series G Preferred Stock with a stated value of $120,000. The $20,000 discount will be accreted up to the redemption price over the one-year period until redemption.

On July 10, 2024, the Company received a tranche of $100,000 under the SPA for 100 Series G Preferred Stock with a stated value of $120,000. The $20,000 discount will be accreted up to the redemption price over the one-year period until redemption.

During the three months ending June 30, 2024, the accretion for the Series G Preferred Stock was $39,000. During the year ending March 31, 2024, the accretion for the Series G Preferred Stock was $38,000.

Series E Preferred Stock

On November 22, 2021, the Company entered into a securities purchase agreement ("SPA") for 1,500 shares of the Company's Series E Preferred Stock, at a price of $1,000 per share for a purchase price of $1,500,000, with a stated value of $1,200 per share, dividends at the rate of twelve percent (12%) per annum, payable quarterly. and are convertible into shares of common stock at the election of the holder of the Series E Preferred Stock at any time at a price of $0.35 per share.

On July 24, 2023, the Company entered into a Securities Purchase Agreement for the additional sale of 156 shares of Series E Preferred Stock at a price of $1,000 per share of Preferred Stock, for a total of $156,000. The Series E Preferred Stock will earn a dividend of 12% per annum, for as long as the relevant Preferred Stock has not been redeemed or converted. Dividends are to be paid quarterly, and at the Company's discretion, in cash or Preferred Stock calculated at the purchase price. As of June 30, 2024 the accretion for the Series E Preferred Stock was $9,300.

Common Stock

On September 28, 2023, the Company increased their authorized common shares to 1,400,000,000.

GHS 2022 Purchase Agreement

On November 4, 2022, the Company entered into a purchase agreement (the "GHS Purchase Agreement") with GHS Investments LLC ("GHS"), an accredited investor, pursuant to which, the Company may require GHS to purchase a maximum of up to 64,000,000 shares of the Company's common stock ("GHS Purchase Shares") based on a total aggregate purchase price of up to $5,000,000 over a one-year term that ends on November 4, 2023. Notwithstanding the foregoing dollar limitations, the Company and GHS may, from time to time, mutually agree in writing to waive the aforementioned limitations for a relevant Purchase Notice, which waiver, shall not exceed the 4.99% beneficial ownership limitation contained in the GHS 2022 Purchase Agreement. The Company is to control the timing and amount of any sales of GHS Purchase Shares to GHS. The Company intends to use the net proceeds from this offering for working capital and general corporate purposes.

The "Purchase Price" means, with respect to a purchase made pursuant to the GHS Purchase Agreement, 90% of the lowest VWAP during the 10 consecutive business days immediately preceding, but not including, the applicable purchase date. The Company shall deliver a number of GHS Purchase Shares equal to 112.5% of the aggregate purchase amount for such GHS Purchase divided by the Purchase Price per share for such GHS Purchase.

If there are any default events, as set forth in the GHS Purchase Agreement, has occurred and is continuing, the Company shall not deliver to GHS any Purchase Notice.

Further, pursuant to the terms of the GHS Purchase Agreement, from November 4, 2022 until the date that is the later of (i) the closing of the transactions whereby Yotta Merger Sub, Inc. will merge with and into the Company, with the Company as the surviving company (the "Merger"); and (ii) the 12 month anniversary of the first delivery of GHS Purchase Shares, upon any issuance by the Company or any of its subsidiaries of Common Stock or Common Stock equivalents for cash consideration, indebtedness or a combination of units thereof (a "Subsequent Financing"), GHS shall have the right to participate in any financing, up to an amount of the Subsequent Financing equal to 100% of the Subsequent Financing (the "Participation Maximum") on the same terms, conditions and price provided for in the Subsequent Financing. Following the Merger, the Participation Maximum shall be 50% of the Subsequent Financing.

In the three months ended June 30, 2023, the Company sold 11,981,706 shares of common stock at a net amount of approximately $376,000, at a share price of $0.03, of the GHS Purchase Agreement.

$10,000,000 Common Stock Equity Financing

On April 28, 2023, the Company entered into an Equity Financing Agreement ("Equity Financing Agreement") and Registration Rights Agreement with GHS. Under the terms of the Equity Financing Agreement, GHS agreed to provide the Company with up to $10,000,000 upon effectiveness of a registration statement on Form S-1 (the "Registration Statement") filed with the SEC. The Registration Statement was filed on July 20, 2023 and the SEC declared it effective on August 14, 2023.

With the effectiveness of the Registration Statement, the Company now has the discretion to deliver puts to GHS and GHS will be obligated to purchase shares of the Company's common stock, par value $0.0001 per share (the "Common Stock") based on the investment amount specified in each put notice. The maximum amount that the Company shall be entitled to put to GHS in each put notice shall not exceed two hundred percent (200%) of the average daily trading dollar volume of the Company's Common Stock during the ten (10) trading days preceding the put, so long as such amount does not equal less than ten thousand dollars ($10,000) or greater than one million dollars ($1,000,000). Pursuant to the Equity Financing Agreement, GHS and its affiliates will not be permitted to purchase and the Company may not put shares of the Company's Common Stock to GHS that would result in GHS's beneficial ownership equaling more than 4.99% of the Company's outstanding Common Stock. The price of each put share shall be equal to eighty percent (80%) of the Market Price (as defined in the Equity Financing Agreement). Following an up-list to the NASDAQ or equivalent national exchange, the price of each put share shall be equal to ninety percent (90%) of the Market Price, subject to a floor price of $1.00 per share. Puts may be delivered by the Company to GHS until the earlier of twenty-four (24) months after the effectiveness of the Registration Statement or the date on which GHS has purchased an aggregate of $10,000,000 worth of Common Stock under the terms of the Equity Financing Agreement.

In the three months ended June 30, 2024, the Company sold 66,392,019 shares of common stock at a net amount of approximately $486,000, at share prices of $0.007 through $0.008, in relation to the Equity Financing Agreement.

In the three months ended September 30, 2023, the Company sold 31,808,246 shares of common stock at a net amount of approximately $566,000, at share price of $0.02 related to the Equity Financing Agreement.

In the three months ended December 31, 2023, the Company sold 44,843,442 shares of common stock at a net amount of approximately $459,000, at share prices ranging from $0.01 to $0.02, in relation to the Equity Financing Agreement. Included in this amount, on October 31, 2023, the Company issued GHS 7,868,985 shares of common stock, for no purchase price, as consideration resulting from GHS receiving a phishing email informing them to wire a purchase price to an incorrect bank, resulting in the Company not receiving the wire and for which GHS resent a second wire to the Company's correct bank.

In the last quarter ending March 31, 2024, the Company sold 100,816,636 shares of common stock at a net amount of approximately $845,000, at share prices of $0.008 through $0.009, in relation to the Equity Financing Agreement.

GHS 2023 Purchase Agreement

On May 9, 2023, the Company entered into a purchase agreement (the "GHS 2023 Purchase Agreement") with GHS pursuant which the Company may require GHS to purchase a maximum of up to 45,923,929 shares of the Company's common stock ("GHS 2023 Purchase Shares") based on a total aggregate purchase price of up to $6,000,000 over a one-year term that ends on May 9, 2024. The Company intends to use the net proceeds from this offering for working capital and general corporate purposes.

The GHS 2023 Purchase Agreement provides that, upon the terms and subject to the conditions and limitations set forth in the agreement, the Company has the right from time to time during the term of the agreement, in its sole discretion, to deliver to GHS a purchase notice (a "Purchase Notice") directing GHS to purchase (each, a "GHS Purchase") a specified number of GHS 2023 Purchase Shares. A GHS Purchase will be made in a minimum amount of $10,000 and up to a maximum of $1,500,000 and provided that, the purchase amount for any purchase will not exceed 200% of the average of the daily trading dollar volume of the Company's common stock during the 10 business days preceding the purchase date. Notwithstanding the foregoing dollar limitations, the Company and GHS may, from time to time, mutually agree (in writing) to waive the aforementioned limitations for a relevant Purchase Notice, which waiver, for the avoidance of doubt, shall not exceed the 4.99% beneficial ownership limitation contained in the GHS Purchase Agreement. The "Purchase Price" means, with respect to a purchase made pursuant to the GHS Purchase Agreement, 90% of the lowest VWAP (as defined in the GHS 2023 Purchase Agreement) during the Valuation Period (the ten (10) consecutive business days immediately preceding, but not including, the applicable purchase date). The Company shall deliver a number of GHS 2023 Purchase Shares equal to 112.5% of the aggregate purchase amount for such GHS Purchase divided by the Purchase Price per share for such GHS Purchase, against payment by GHS to the Company of the purchase amount with respect to such Purchase (less documented deposit and clearing fees, if any), as full payment for such GHS Purchase Shares via wire transfer of immediately available funds.

If there are any default events, as set forth in the GHS Purchase Agreement, has occurred and is continuing, the Company shall not deliver to GHS any Purchase Notice.

Further, pursuant to the terms of the GHS 2023 Purchase Agreement, from May 9, 2023 until the date that is the later of (i) the closing of the transactions whereby Yotta Merger Sub, Inc. will merge with and into the Company, with the Company as the surviving company (the "Merger"); and (ii) the 12 month anniversary of the initial closing pursuant to the Section 2(a) of GHS Purchase Agreement, upon any issuance by the Company or any of its subsidiaries of Common Stock or Common Stock equivalents for cash consideration, indebtedness or a combination of units thereof (a "Subsequent Financing"), GHS shall have the right to participate in any financing, up to an amount of the Subsequent Financing equal to 100% of the Subsequent Financing (the "Participation Maximum") on the same terms, conditions and price provided for in the Subsequent Financing. Following the Merger, the Participation Maximum would have been 50% of the Subsequent Financing.

In the three months ended June 30, 2023, the Company sold 28,205,605 shares of common stock at a net amount of approximately $923,000, at share prices ranging from $0.03 to $0.04 related to the GHS 2023 Purchase Agreement.

Common Shares Issued to Consultant

On June 19, 2023, 100,000 shares of common stock were issued to a consultant. The shares had a fair value of $4,700, based on the market price of $0.047 on the grant date.

Options and Warrants

The Company has not granted any options since inception.

All of the warrants issued have been recognized as a liability, as of the issuance of the convertible debenture on December 15, 2021, based on the fact it as it is not known if there will be sufficient authorized shares to be issued upon settlement, based on the conversion terms of the existing convertible debt.

The 18,573,116 warrants outstanding as of June 30, 2024, were revalued as of period end for a fair value of $19,000, with a decrease in the fair value of $5,000 recognized on the accompanying condensed consolidated Statement of Operations. The fair value of the warrant liability was estimated using Black Scholes Model, with the following inputs: the price of the Company's common stock of $0.01; a risk-free interest rate ranging from 4.52% to 4.71%; and expected volatility of the Company's common stock ranging from 128.3% to 137.7% and the remaining terms of each warrant issuance.

The 18,573,116 warrants outstanding as of June 30, 2023, were revalued as of period end for a fair value of $305,000, with a decrease in the fair value of $50,000 recognized on the accompanying condensed consolidated Statement of Operations. The fair value was estimated using Black Scholes Model, with the following inputs: the price of the Company's common stock of $0.05; a risk-free interest rate of 3.81% to 4.49%, the expected volatility of the Company's common stock ranging from 128.3% to 137.7%; the estimated remaining term, a dividend rate of 0%.

NOTE 9 – RELATED PARTY TRANSACTIONS

Bonus Compensation – Related Party

On May 11, 2021, the Company paid the Chief Financial Officer ("CFO") a bonus of $300,000. On August 10, 2021, the Board of Directors ratified the bonus payment to the CFO and awarded the President and the CTO compensation bonuses of $300,000 each. The bonuses to the President and CTO are to be distributed within the next twelve months from the award date, and are included in accrued expenses, related parties as of December 31, 2021. During the year ended March 31, 2022, $200,000 was paid each to the President and CTO, with a total of $200,000 remaining in accrued expenses, related parties, as of June 30, 2024 and March 31, 2024.

Promissory Note

On July 10 through July 17, 2023, the Company received $140,000 in proceeds from the issuance of three promissory notes with related parties. The notes bear interest at 10% and have maturity dates one year from the issuance date. The maturity date has been extended for six months to two of the related parties and three months for one of the related party.

On August 10, 2022, the Company issued a loan agreement for $300,000, with related parties, which is to be considered priority debt of the Company. As of this filing, five of the related parties have entered into promissory notes under the loan agreement for $50,000 each, for a total of cash received of $250,000. The notes bear interest at a 10% per annum and are due in one year from the issuance date of the notes. The maturity date has been extended an additional six months, to February 10, 2025.

For the three months ended June 30, 2024 and June 30, 2023, the interest expense for the related party promissory notes was approximately $10,000 and $6,000, respectively. As of June 30, 2024 and March 31, 2024, the accrued interest related to the related party promissory notes was approximately $59,000 and $26,000, respectively.

NaturalShrimp Holdings, Inc.

On January 1, 2016 the Company entered into a notes payable agreement with NaturalShrimp Holdings, Inc.("NSH"), a shareholder. The note payable has no set monthly payment or maturity date with a stated interest rate of 2%. During the year ended March 31, 2022, the Company paid off $655,750 of the note payable. The outstanding balance is approximately $77,000 as of both June 30, 2024 and March 31, 2024. As of both June 30, 2024 and March 31, 2023, accrued interest payable was approximately $74,000.

Shareholder Notes

The Company has entered into several working capital notes payable to multiple shareholders of NSH and Bill Williams, a former officer and director, and a shareholder of the Company, for a total of $486,500. The notes are unsecured and bear interest at 8%. These notes had stock issued in lieu of interest and have no set monthly payment or maturity date. The balance of these notes was $356,404 as of both June 30, 2024 and March 31, 2024, and is classified as a current liability on the unaudited condensed consolidated balance sheets. As of June 30, 2024 and March 31, 2024, accrued interest payable was approximately $146,000.

Shareholders

Beginning in 2010, the Company started entering into several working capital notes payable with various shareholders of NSH for a total of $290,000 and bearing interest at 8%. The balance of these notes at June 30, 2024 and March 31, 2024 was $54,647 and is classified as a current liability on the unaudited condensed consolidated balance sheets.

NOTE 10 – LEASE

On May 26, 2021, the Company entered into a sublease for a new office space in Texas. The lease commenced on August 1, 2021 for a monthly rent of $7,000, and was to terminate on October 31, 2025. The Company assessed its new office lease as an operating lease.

At inception, on August 1, 2021, the ROU and lease liability was calculated as approximately $316,000, based on the net present value of the future lease payments over the term of the lease. When available, the Company uses the rate implicit in the lease discount payments as the incremental borrowing rate to calculate the net present value; however, the rate implicit in the lease is not readily determinable for their corporate office lease. In this case, the Company estimated its incremental borrowing rate of 5.75% as the interest rate it could have incurred to borrow an amount equal to the lease payments in a similar economic environment on a collateralized basis over a term similar to the lease term. The Company estimated its rate based on observable risk-free interest rate and credit spreads for commercial debt of a similar duration as to what rate would have been effective for the Company.

On December 31, 2023, the Company moved to a new office space in Texas, and the sublease in effect was terminated. At the termination of the original lease, the existing ROU of approximately $153,000 and lease liability of approximately $175,000 was removed, with a gain of approximately $22,000 recognized in the quarter ended December 31, 2023.

On December 20, 2023, the Company entered into a sublease for a new office space in Texas, with a commencement date of January 1, 2024, which will terminate on March 31, 2027. The monthly rates are $2,063 for April 1, 2024 through March 31, 2025, $2,192 for the second year of April 1, 2025 through March 31, 2026 and $2,320 for the final year. On December 19, 2023, the Company paid a $2,063 security deposit, which is included in Prepaid expenses on the accompanying condensed consolidated balance sheet. The Company assessed its new office lease as an operating lease.

At inception, as of January 1, 2024, the ROU and lease liability was calculated as approximately $61,000, based on the net present value of the future lease payments over the term of the lease. When available, the Company uses the rate implicit in the lease discount payments as the incremental borrowing rate to calculate the net present value; however, the rate implicit in the lease is not readily determinable for their corporate office lease. In this case, the Company estimated its incremental borrowing rate of 14.5% as the interest rate it could have incurred to borrow an amount equal to the lease payments in a similar economic environment on a collateralized basis over a term similar to the lease term. The Company estimated its rate based on observable risk-free interest rate and credit spreads for commercial debt of a similar duration as to what rate would have been effective for the Company.

On September 8, 2021, the Company entered into an equipment lease agreement for VOIP phone equipment. The lease term is for sixty months, with a monthly lease payment of approximately $300. The Company assessed the equipment lease as an operating lease. The Company determined the Right of Use asset and Lease liability values at inception as approximately $17,000 calculated at the present value of all future lease payments for the lease term, using an incremental borrowing rate of 5.75%.

The following is a schedule of maturities of lease liabilities as of June 30, 2024:

2025	$	21,372
2026		30,043
2027		31,590
Total future minimum lease payments		83,005
Less: imputed interest		15,893
Total	$	67,112

NOTE 11 – COMMITMENTS AND CONTINGENCIES

The Company follows ASC 450-20, Loss Contingencies, to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. There were not any known commitments or contingencies as of June 30, 2024 and March 31, 2024.

NOTE 12 – SUBSEQUENT EVENTS

Subsequent to the period end, through the date of the filing, the Company sold 21,106,846 shares of common stock at a net amount of approximately $103,000, at share prices of $0.004 through $0.007, in relation to the Equity Financing Agreement.

On July 3, 2024, the Company and the Investor entered into an Exchange Agreement on the Restructured Senior Note. In the Exchange Agreement the remaining Restructured Senior Note was partitioned into a $90,000 new promissory note, leaving the original Restructured Senior Note outstanding balance to be reduced by $90,000. The partitioned note was exchanged for 10,000,000 shares of the Company's common stock. The shares of common stock issued had a fair value of $90,000 based on the market price of the shares of $0.009 on the execution date

On July 10, 2024, the Company received a tranche of $100,000 under the SPA for 100 Series G Preferred Stock with a stated value of $120,000. The $20,000 discount will be accreted up to the redemption price over the one-year period until redemption.

On July 24, 2024, one of the holders converted 85 Series E Preferred Stock into 12,289,157 shares of common stock.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q includes a number of forward-looking statements that reflect management's current views with respect to future events and financial performance. 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. These statements include statements regarding the intent, belief or current expectations of us and members of our management team, as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risk and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks set forth in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2024, as filed with the U.S. Securities and Exchange Commission (the "SEC") on July 17, 2024, 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 in our forward-looking statements. These risks and factors include, by way of example and without limitation:

- our ability on a timely basis to successfully rebuild our water treatment plant and replace our filtration equipment that was destroyed by fire on July 3, 2022 at our La Coste, Texas facility;
- our ability to continue developing and expanding our research and development plant in La Coste, Texas and our production facility in Webster City, Iowa;
- our ability to successfully commercialize our equipment and 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;
- the retention and availability of key personnel;
- general economic and business conditions;
- substantial doubt about our ability to continue as a going concern;
- our continued ability to raise funding at the pace and quantities required to scale our plant needs to commercialize our products;
- 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;
- business interruptions resulting from geo-political actions, including war, and terrorism or disease outbreaks
- intellectual property claims brought by third parties; and
- the impact of any industry regulation.

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.

Readers are urged to carefully review and consider the various disclosures made by us in this report and in our other reports filed with the SEC. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes in the future operating results over time except as required by law. We believe that our assumptions are based upon reasonable data derived from and known about our business and operations. No assurances are made that actual results of operations or the results of our future activities will not differ materially from our assumptions.

As used in this Quarterly Report on Form 10-Q and unless otherwise indicated, the terms "Company," "we," "us," and "our" refer to NaturalShrimp Incorporated and its wholly-owned subsidiaries NSC, NS Global and NAS. The Company also owns 51% of NaturalShrimp/Hydrenesis LLC, a Texas limited liability company. Unless otherwise specified, all dollar amounts are expressed in United States Dollars.

Use of United States Generally Accepted Accounting Principles ("GAAP") Financial Measures

We use United States GAAP financial measures, 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.

This discussion and analysis should be read in conjunction with our financial statements and the notes thereto included elsewhere in this annual report.

Overview

We are an aquaculture technology company that has developed proprietary, patented platform technologies to allow for the production of aquatic species in an ecologically controlled, high-density, low-cost environment, and in fully contained and independent production facilities without the use of antibiotics or toxic chemicals. We own and operate indoor recirculating Pacific White shrimp production facilities in Texas and Iowa using these technologies.

We were incorporated in July 2008 and acquired substantially all of the assets of NSH, the company that developed the proprietary technology to grow and sell shrimp potentially anywhere in the world that is now the basis of our business. In 2015 NSH acquired 88.62% of the issued and outstanding shares of NaturalShrimp Common Stock, NSC and NS Global became our wholly-owned subsidiaries, and we changed our principal business to a global shrimp farming company.

On October 5, 2015, we formed NAS with F&T Water Solutions, LLC ("F&T"), the purpose of which was to jointly develop with F&T certain water technologies.

On December 17, 2020, we acquired for $10.0 million certain assets from VeroBlue Farms USA, Inc. and its subsidiaries, which assets included our three current facilities located in Iowa.

On May 25, 2021, we purchased certain parent and intellectual property rights from F&T and acquired all of its outstanding shares in NAS, thereby making NAS our wholly-owned subsidiary, for $3.0 million in cash and 13,861,386 shares of NaturalShrimp Common Stock.

On August 25, 2021, through NAS, we entered into an Equipment Rights Agreements with Hydrenesis-Delta Systems, LLC and a Technology Rights Agreement with Hydrenesis Aquaculture LLC. The Equipment Rights Agreement relates to specialized and proprietary equipment used to produce and control, dose, and infuse Hydrogas® and RLS® into both water and other chemical species, while the Technology Rights Agreement provides us with a sublicense to the rights to Hydrogas® and RLS®.

The Company has three wholly-owned subsidiaries: NSC, NS Global, and NAS, and owns 51% of NaturalShrimp/Hydrenesis LLC, a Texas limited liability company.

Most of the shrimp consumed in the world today come from shrimp farms that can only produce crops between one and four times per year. Consequently, the shrimp from these farms requires freezing between crops until consumed. Our system is designed to harvest different tanks each week, which provides for fresh shrimp throughout the year. We strive to create a niche market of "Always Fresh, Always Natural" 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 and year-round allows us to provide this high-end product to upscale restaurant and grocery stores 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 pollutants and is fed only the highest-quality feeds.

We began making regular weekly sales of live shrimp from our Iowa production facility in November 2021 and from our Texas production facility in June 2022. The Company is using its aforementioned platform technologies to retrofit 344,000 square feet of its existing Iowa facilities that we expect will, once fully operational, produce 18,000 pounds of shrimp per week. We believe that the combined output from our La Coste, Texas and Iowa facilities will be approximately 24,000 pounds of shrimp production per week by the third calendar quarter of 2025. We can, however, provide no assurances as to how significant our revenue will be in the next one to two fiscal quarters.

Results of Operations

Comparison of the Three Months Ended June 30, 2024 to the Three Months Ended June 30, 2023

Revenue

We had gross sales revenue of $36,618 and $205,872, respectively, during the three months ended June 30, 2024 and 2023, a decrease of approximately $169,000, or 82%.

Our decrease in gross sales revenue during the three months ended June 30, 2024 over the same period in the prior year was a result of the revenue recognized under ASC 606 in the quarter of the prior year as the Company entered into a six month agreement with a company for the use of the NSI Technologies on May 21, 2023, and received the initial payment of $150,000, before the monthly payments required in the contract. There is no contract for the use of the NSI Technologies in the current period. In addition, there has been a decrease in the sale of shrimp over the same period last year.

Cost of Sales

Cost of sales includes direct costs related to the production and sale of our products, primarily the cost of the post-larva shrimp that we purchase to grow into our shrimp product at our facilities and the costs of shipping purchase orders to customers. Cost of sales were $34,732 and $49,741, respectively, during the three months ended June 30, 2024 and 2023. The decrease in cost of sales was primarily due to the decrease in shrimp sales during Q1 2025 as compared to the same period in prior year.

Operating Expenses

The following table summarizes the various components of our operating expenses for each of the three months ended June 30, 2024 and 2023:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023
Salaries and related expenses	$ 455,388	$ 512,725
Professional services	228,714	310,540
Other general and administrative expenses	415,238	452,873
Rent	5,145	22,313
Facility operations	158,535	358,258
Depreciation	434,908	434,809
Amortization	367,500	367,500
Total	$ 2,065,428	$ 2,459,018

Operating expenses for the three months ended June 30, 2024 were $2,065,428, which is a 16.0% decrease as compared to operating expenses of $2,459,018 for the same period in 2023. The overall change in expenses is primarily due to the approximately $200,000 decrease in facility operations relating to the progress of the commercial operations in the new plant in Iowa as well as in Texas due to completion of the work, and the salt expense was reduced in this quarter compared to last, due to changes and improvement for the system in Iowa. In addition, the rent expense was reduced by approximately $17,000, or 76.9% based on the termination of the previous lease agreement and the smaller lease expense under the new lease agreement. Finally, professional services decreased by approximately $82,000, or 26.3%, which is primarily comprised of salaries being decreased by approximately $57,000, a 11.2% decrease, as well as general and administrative expenses decreased by approximately $38,000 in the current period.

Other Income (Expense)

The following table summarizes the various components of our other income (expense) for each of the three months ended June 30, 2024 and 2023:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023
Interest expense	$ (3,899)	$ (2,713)
Interest expense – related parties	(9,750)	(6,250)
Change in fair value of warrant liability	5,000	50,000
Change in fair value of restructured notes	(720,000)	137,634
Extension fee	-	(180,000)
(Loss)gain on sale of machinery and equipment	(10,357)	5,785
Total	$ (739,006)	$ 4,456

Other income (expense) for the three months ended June 30, 2024, decreased approximately $743,000 from other income into other expense, from the same period in the prior year, due almost entirely from the difference in the change in fair value of the restructured notes between periods and the change in fair value of the warrant liability. Additionally, in the prior period there was $180,000 in extension fees related to the attempted merger, which was terminated in July of 2023.

The Company originally recognized the warrant liability in December 2021 and revalues it at the end of each reporting period. The decrease in the fair value for the three months ended June 30, 2024, as compared to the prior year end, resulted in a $5,000 recognition as income during the three months ended June 30, 2024, compared to a decrease in fair value during the three months ended June 30, 2023, which resulted in a $50 ,000 recognition as income during the three months ended June 30, 2023.

Liquidity, Financial Condition and Capital Resources

As of June 30, 2024, we had cash on hand of approximately $5,000 and working capital deficiency of approximately $38,697,000, as compared to cash on hand of approximately $116,000 and a working capital deficiency of approximately $38,147,000 as of March 31, 2024. The working capital deficiency for the three months ended June 30, 2024, as compared to the March 31, 2023 year-end has a slight increase (a reduced working capital) of 1.4%. This is mainly due to the decrease in cash on-hand and current period expense of the previous Deferred offering costs, offset by a slight decrease in current liabilities from the reclass of the accrued interest into the inclusion in the line item for the fair value of the restructured notes offset by new promissory notes.

Working Capital Deficiency

The following table summarizes our working capital deficiency as of June 30, 2024 and March 31, 2023:

	June 30, 2024	March 31, 2024
Current assets	$ 248,968	$ 381,135
Current liabilities	39,666,449	38,528,534
Working capital deficiency	$ (39,417,481)	$ (38,147,399)

Current assets decreased mainly because of the use of cash on hand. The increase in current liabilities is primarily due to the change in the fair value option of the restructured notes payable, the accrual of interest on notes payable with related parties and accrued dividends payable, offset by the partition from the January 2023 note payable which was exchanged for common shares.

Cash Flows

The following table summarizes our cash flows for the three months ended June 30, 2024 and 2023:

	Three months Ended June 30,	
	2024	2023
Net cash used in operating activities	$ (806,385)	$ (1,400,898)
Net cash provided by (used in) investing activities	10,000	(20,308)
Net cash provided by financing activities	685,838	1,274,512
Net change in cash	$ (110,547)	$ (146,694)

Net cash used in operating activities during the three months ended June 30, 2024, was a decrease of approximately $595,000 as compared to the same period in 2023. The decrease in cash used is primarily due to the difference in the current period adjustments to reconcile the net loss to net cash. While the depreciation and amortization is similar in both periods, there are changes in the change of fair value of restructured notes payable between the periods with an increase in the fair value in the current period compared to a loss in the prior period, as well as the difference in the change in the warrant fair value between periods. In addition, the change in the amortization of the operating lease right-of-use assets and the gain on termination of lease, based on the change in office lease. Furthermore, there was an increase in accounts payable, accrued expenses and the new operating lease liability.

The net cash provided by investing activities in the three months ended June 30, 2024, decreased by approximately $30,000 compared to net cash used by investing activities for the same period in the prior fiscal year. During the current period, cash was provided by $10,000 of cash received for the sale of machinery and equipment, as compared to cash used in the prior year period to purchase fixed assets which consists of approximately $39,000, offset by $19,000 of cash received for the sale of machinery and equipment.

The net cash provided by financing activities decreased by approximately $589,000 between periods. For the current period, the Company received approximately $486,000 for the sale of shares of common shares and $200,000 for the sale of the new Series G Preferred Shares. In the same period in the prior year the Company received $1,299,000 for the sale of shares of common stock offset by the payment of $24,000 on notes payable,

Our cash position was approximately $5,000 as of June 30, 2024. Management believes that our cash on hand and working capital deficit are not sufficient to meet our current anticipated cash requirements for additional anticipated capital expenditures, operating expenses and scale-up of operations for the next twelve months.

Recent Financing Arrangements and Developments During the Period

Short-Term Debt and Lines of Credit

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 25.9 basis points, which totaled 34.4% as of June 30, 2024. The line of credit is unsecured. The balance of the line of credit was $9,580 at both June 30, 2024 and March 31, 2024.

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 10 basis points, which totaled 18.50% as of June 30, 2024. The line of credit is secured by assets of the Company's subsidiaries. The balance of the line of credit is $10,237 at June 30, 2024 and March 31, 2024.

$10,000,000 Common Stock Equity Financing

On April 28, 2023, the Company entered into an Equity Financing Agreement ("Equity Financing Agreement") and Registration Rights Agreement with GHS. Under the terms of the Equity Financing Agreement, GHS agreed to provide the Company with up to $10,000,000 upon effectiveness of a registration statement on Form S-1 (the "Registration Statement") filed with the SEC. The Registration Statement was filed on July 20, 2023 and the SEC declared it effective on August 14, 2023.

With the effectiveness of the Registration Statement, the Company now has the discretion to deliver puts to GHS and GHS will be obligated to purchase shares of the Company's common stock, par value $0.0001 per share (the "Common Stock") based on the investment amount specified in each put notice. The maximum amount that the Company shall be entitled to put to GHS in each put notice shall not exceed two hundred percent (200%) of the average daily trading dollar volume of the Company's Common Stock during the ten (10) trading days preceding the put, so long as such amount does not equal less than ten thousand dollars ($10,000) or greater than one million dollars ($1,000,000). Pursuant to the Equity Financing Agreement, GHS and its affiliates will not be permitted to purchase, and the Company may not put shares of the Company's Common Stock to GHS that would result in GHS's beneficial ownership equaling more than 4.99% of the Company's outstanding Common Stock. The price of each put share shall be equal to eighty percent (80%) of the Market Price (as defined in the Equity Financing Agreement). Following an up-list to the NASDAQ or equivalent national exchange, the price of each put share shall be equal to ninety percent (90%) of the Market Price, subject to a floor price of $1.00 per share. Puts may be delivered by the Company to GHS until the earlier of twenty-four (24) months after the effectiveness of the Registration Statement or the date on which GHS has purchased an aggregate of $10,000,000 worth of Common Stock under the terms of the Equity Financing Agreement.

The Company submitted a Post-Effective Amendment No. 1 ("Amendment") to this Registration Statement for the purpose of providing information from its Annual Report on Form 10-K for the period ended March 31, 2024 filed with the SEC July 17, 2024. The original Registration Statement registered 324,675,325 common shares, with 243,860,340 common shares having been issued to the selling stockholder after the Registration Statement was declared effective, with this Amendment registering for resale by the selling stockholder a total of 80,814,985 shares which remain to be issued.

In the three months ended June 30, 2024, the Company sold 66,392,019 shares of common stock at a net amount of approximately $486,000, at share prices of $0.007 through $0.008, in relation to the Equity Financing Agreement.

Series G Preferred Stock

On December 1, 2023, the Board authorized the issuance of 10,000 preferred shares to be designated as Series G Preferred Stock ("Series G Preferred Stock"). The Series G Preferred Stock have a par value of $0.0001, a stated value of $1,200 and dividends at the rate of 8% per annum, payable quarterly, to be paid in cash or in-kind, at the discretion of the Company. The Series G Preferred Stock will vote together with the common stock on an as-converted basis subject to the beneficial ownership limitations. The Series G Preferred Stock is required to be redeemed by the Company no later than one calendar year from the date of its issuance. The Series G Preferred Stock are also redeemable at the option of the Company at any time after the original issued date, upon 3 business days' notice, at a premium rate which is (a) 1.15 if all of the Series G Preferred Stock is redeemed within 90 calendar days from the issuance date thereof; (b) 1.2 if all of the Series G Preferred Stock is redeemed after 90 calendar days and within 120 calendar days from the issuance date thereof; (c) 1.25 if all of the Series G PS is redeemed after 120 calendar days and within 180 calendar days from the issuance date thereof. The Company shall be permitted to redeem the Series G Preferred Stock at any time in cash upon 3 business days prior notice to the Holder or the Holder may convert the Series G Preferred Stock within 3 business days period prior to redemption. The Holder shall have the right to either redeem for cash or convert the Series G Preferred Stock into common stock within 3 business days following the consummation of a qualified offering. The conversion price is based on the discounted market price which is the lower of: (i) A fixed price equaling the closing bid price for the common stock on the trading day preceding the execution of the SPA; or (ii) 100% of the lowest volume weighted average price ("VWAP)" for the common stock during 10 trading days preceding the conversion request, subject to adjustment.

Series G Preferred Equity Offering

On December 14, 2023, the Company entered into a Securities Purchase Agreement for the sale of 110 shares of Series G Preferred Stock at a price of $1,000 per share of preferred stock, for a total of $110,000. The Purchaser also received an "Equity Incentive", which was an additional 35 Series G Preferred Stock issued to the Purchaser at the initial closing and deemed to be earned at the time of its issuance. Following the initial closing, the Company and Purchaser shall mutually agree from time to time for the Company to sell and the Purchaser to purchase up to 400 shares of Series G Preferred Stock at a price of $1,000 per share in separate closings. The Series G Preferred Stock will earn a dividend of 8% per annum, for as long as the relevant Preferred Stock has not been redeemed or converted. Dividends are to be paid quarterly, and at the Company's discretion, in cash or Preferred Stock calculated at the purchase price.

On April 23, 2024, the Company received a tranche of $100,000 under the SPA for 100 Series G Preferred Stock with a stated value of $120,000. The $20,000 discount will be accreted up to the redemption price over the one-year period until redemption.

On June 12, 2024, the Company received a tranche of $100,000 under the SPA for 100 Series G Preferred Stock with a stated value of $120,000. The $20,000 discount will be accreted up to the redemption price over the one-year period until redemption.

On July 10, 2024, the Company received a tranche of $100,000 under the SPA for 100 Series G Preferred Stock with a stated value of $120,000. The $20,000 discount will be accreted up to the redemption price over the one-year period until redemption.

During the three months ending June 30, 2024, the accretion for the Series G Preferred Stock was $39,000. .

January 2023 Note

On January 20, 2023, the Company entered into a secured promissory note ("January 2023 Note") with an investor (the "Investor"). The January 2023 Note is in the aggregate principal amount of $631,968. The Note has an interest rate of 10% per annum, with a maturity date nine months from the issuance date of the Note. The Note carried an original issue discount totaling $56,868, whereby the purchase price is $575,100. All payments made by the Company under the terms in the note, including upon repayment of this Note at maturity, shall be subject to an exit fee of 15% of the portion of the outstanding balance being paid. The cash was not transferred to the Company's bank account, but instead to the merger entity, Yotta, for a contribution to a required extension fee for the business combination. On November 17, 2023, the Company received an extension of the maturity date to June 30, 2024, for a $5,000 extension fee. The maturity date has been further extended to August 15, 2024.

On April 3, 2024, the Company and the Investor entered into a fifth Exchange Agreement on the January 2023 Note. In the Exchange Agreement the remaining January 2023 Note was partitioned into a $92,700 new promissory note, leaving the original January 2023 Note with an adjusted balance of $221,018. The partitioned note was exchanged for 10,000,000 shares of the Company's common stock. The shares of common stock issued had a fair value of $100,000 based on the market price of the shares of $0.010 on the execution date, resulting in an excess of $7,300 to be recognized as a financing expense.

April 2023 Promissory Note

On April 21, 2023, the Company entered into a $60,000 promissory note with Yotta Investment LLC ("Yotta"), with no interest to accrue on the principal balance. The promissory note is to be settled on the date of closing of the business combination contemplated by the Merger Agreement with Yotta ("Merger Agreement"). Upon the occurrence of an event of default, including the termination of the Merger Agreement, the unpaid principal balance of this note, and all other sums payable with regard to this note, shall automatically and immediately become due and payable, in all cases without any action on the part of the Company. The Merger Agreement was terminated, and management believes the promissory note will be settled in the Breakup Fee.

May 2023 Promissory Note

On May 17, 2023, the Company entered into an additional $60,000 promissory note with Yotta, with no interest to accrue on the principal balance. The promissory note is to be settled on the date of closing of the business combination contemplated by the Merger Agreement with Yotta. Upon the occurrence of an event of default, including the termination of the Merger Agreement, the unpaid principal balance of this note, and all other sums payable with regard to this note, shall automatically and immediately become due and payable, in all cases without any action on the part of the Company. The Merger Agreement was terminated, and management believes the promissory note will be settled in the Breakup Fee.

Restructured August Note payable

On August 17, 2022, Streeterville purchased from us the August Note. The August Note has an annual interest rate of 12% and was to mature nine months from the effective date. The August Note carried an original issue discount ("OID") totaling $433,333 and a transaction expense amount of $10,000, both of which are included in its principal balance. At issuance the Company received $1.1 million, with $3.9 million put into escrow to be held until certain terms are met, which includes $3.4 million upon the listing of the NaturalShrimp Common Stock on the New York Stock Exchange ("NYSE") or Nasdaq. The August Note also provided that if the Company did not effect the listing of the NaturalShrimp Common Stock by November 15, 2022, the then-current outstanding balance on the August Note increased by 10%, and that following such listing, while the August Note was still outstanding, 10 days after the Company sold any shares of NaturalShrimp Common Stock or NaturalShrimp Preferred Stock, it would have been required to make a mandatory prepayment on the August Note equal to the greater of $3.0 million or 33% of the gross proceeds of such equity sale. The August Note is secured by all of the assets of the Company. All payments made by the Company on the note, including upon repayment at maturity, is subject to an exit fee of 15% of the portion of the outstanding balance being paid.

In conjunction with the October 24, 2022 Merger Agreement with Yotta Acquisition Corporation, on November 4, 2022, the Company entered into a Restructuring Agreement with respect to the August Note through which the August Note was amended and restated in its entirety. The Restructuring Agreement included key modifications, in which (i) the uplist terms were removed, (ii) in the event that the Closing does not occur on or before December 31, 2022, the then-current outstanding balance will be increased by 2% and will increase by 2% every 30 days thereafter until the Closing or termination of the Merger Agreement, and (iii) the outstanding balance of the August Note may be increased by 5% to 15% upon the occurrence of an event of default or failure to obtain Streeterville's consent or notify Streeterville for certain major equity related transactions. On November 20, 2023, the maturity date was extended to June 30, 2024. The maturity date has been further extended to August 15, 2024.

We analyzed the restructured August Note under ASC 470-50 as to whether the change in terms qualified as a modification or an extinguishment of the note. The changes in terms were considered an extinguishment as the present value of the cash flows under the terms of the new debt instrument was evaluated to be a substantial change, as over 10% difference from the present value of the remaining cash flows under the terms of the original instrument. As such, with the removal of the original note and its debt discount and accrued interest as compared to the restructured note with a fair value of approximately $1.9 million, there was a loss in extinguishment of approximately $157,000. As a result of the extinguishment and at the Company's election of the fair value option under ASC 825, the August Note will be accounted for at fair value until it is settled. In accordance with ASC 815- 15-25-1(b), a hybrid instrument that is measured at fair value under ASC 825 fair value option each period with changes in fair value reported in earnings as they occur should not be evaluated for embedded derivatives. Therefore, we did not evaluate the provisions in the August Note as to whether it fell under the guidance of embedded derivatives and was required to be bifurcated. The August Note was revalued as of June 30, 2024 at approximately $2,790,000, with a change in fair value of approximately $150,000. As of June 30, 2024, the accrued interest from the restructuring date, which is included in the fair value is approximately $490,000.

Promissory Note — related parties

On July 10 through July 17, 2023, the Company received $140,000 in proceeds from the issuance of three promissory notes with related parties. The notes bear interest at 10% and have maturity dates one year from the issuance date. The maturity date has been extended for six months to two of the related parties and three months for one of the related party.

On August 10, 2022, the Company entered into a loan agreement for an aggregate of $300,000 with six related parties, which is to be considered priority debt of the Company. As of the date of this report, five of the related parties have entered into promissory notes under the loan agreement for $50,000 each, for a total of cash received of $250,000. The notes bear interest at 10% per annum and are due one year from the date of the note. For the three and nine months ended June 30, 2024, the interest expense for the related party promissory notes was approximately $9,000 and $21,000, respectively. As of June 30, 2024 and March 31, 2023, the accrued interest related to the related party promissory notes was approximately $41,000 and $22,000, respectively.

Restructured Senior Note payable

We issued the Convertible Note in December 2021. The Convertible Note had an annual interest rate of 12% and matured on December 15, 2023. The Convertible Note carried an OID totaling $1.3 million and a transaction expense amount of $20,000, both of which were included in the principal balance of the Convertible Note. The Convertible Note had $2.0 million in debt issuance costs, including fees paid in cash of $1.1 million and warrants to purchase 3,000,000 shares of the Company's common stock that we issued to the placement agents with a fair value of $940,000. The warrant fair value was estimated using the Black Scholes Model, with the following inputs: the price of the common stock of $0.32; a risk-free interest rate of 1.19%; the expected volatility of the common stock of 209.9%; the estimated remaining term; and a dividend rate of 0%. We classified the warrants as a liability, as it was not known if there would be sufficient authorized shares to be issued upon settlement, based on the conversion terms of the convertible debt.

In accordance with the terms of the Merger Agreement, the Company and Streeterville entered into Restructuring Agreement dated as of November 4, 2022, pursuant to which the Convertible Note was amended and restated, and the Company issued to Streeterville and Amended and Restated Secured Promissory Note that amended and replaced the Convertible Note (the "Restructured Senior Note"), that: (i) eliminated the conversion feature of the Convertible Note; (ii) provides that within three trading days of the closing of the Business Combination, NaturalShrimp as the surviving entity in its merger with Merger Sub as a wholly-owned subsidiary of Yotta will pay Streeterville an amount equal to the lesser of (A) one-third of the amount (calculated prior to any deductions for any broker, underwriter, legal, accounting or other fees) retained in Yotta's Trust Account (the "Trust Account") at the effective time of the Business Combination or (B) $10,000,000, in order to repay a portion of the outstanding balance of the Restructured Senior Note; (iii) provide that the remaining balance of the Restructured Senior Note must be repaid in equal monthly installments over a 12-month period beginning on the second month immediately following either the closing date of the Business Combination or the termination of the Merger Agreement, but in no case later than June 30, 2024; and (iv) provides that if the closing date of the Business Combination is after December 31, 2022, the outstanding balance of all indebtedness owed by NaturalShrimp to Streeterville will be increased automatically by 2% and will automatically increase by 2% every 30 days thereafter until the closing of the Business Combination or the termination of the Merger Agreement.

As of June 30, 2023, the Merger had not yet closed, and therefore the 2% of the outstanding balance was increased as of June 30, 2023, in the amount of approximately $2,675,000. On July 20, 2023, the Company sent Yotta notice of the Company's termination of the Merger Agreement. Based on the termination in July of 2023, the equal monthly payments were to begin on September 20, 2023. On July 3, 2024, the Investor issued a waiver to the Company on the equal monthly payments, which are not currently required to be paid, through August 15, 2024.

We analyzed the Restructured Senior Note under ASC 470-50 as to if the changes in terms qualified as a modification or an extinguishment of the note. The changes in terms were considered an extinguishment as the conversion feature has been eliminated and therefore the Restructured Senior Note is determined to be fundamentally different from the original Convertible Note. As such, with the removal of the Convertible Note and its debt discount and accrued interest as compared to the Restructured Senior Note with a fair value of approximately $18.9 million, there was a gain in extinguishment of approximately $2.5 million. As a result of the extinguishment and at the Company's election of the fair value option under ASC 825, we will account for the Restructured Senior Note at fair value every period end until it is settled. In accordance with ASC 815-15-25-1(b) a hybrid instrument that is measured at fair value under ASC 825 fair value option each period with changes in fair value reported in earnings as they occur should not be evaluated for embedded derivatives. Therefore, we did not evaluate the provisions in the Restructured Senior Note as to whether they fell under the guidance of embedded derivatives and were required to be bifurcated. We revalued the Restructured Senior Note as of June 30, 2024 at approximately $27,690,000, with a change in fair value of approximately $570,000 recognized in the Company's condensed consolidated statement of operations. As of June 30, 2024, the accrued interest from the restructuring date, which is included in the fair value is approximately $6,463,000.

Series E Preferred Stock and Warrant

On November 22, 2021, we sold to an accredited investor 1,500 shares of Series E Preferred at a price of $1,000 per share and a warrant to purchase up to 1,500,000 shares of NaturalShrimp common stock at an exercise price of $0.75 per share, subject to adjustment as set forth therein, for an aggregate purchase price of $1.5 million. We received approximately $1.4 million in net proceeds after deducting the commission of Joseph Gunnar & Co., LLC (the placement agent) and other estimated offering expenses payable by the Company. We issued warrants to purchase 334,116 shares of our common stock to the placement agent as placement agent fees.

On July 24, 2023, the Company entered into a Securities Purchase Agreement with another accredited investor for the additional sale of 156 shares of Series E Preferred Stock at a price of $1,000 per share of Preferred Stock, for a total of $156,000. The Series E Preferred Stock will earn a dividend of 12% per annum, for as long as the relevant Preferred Stock has not been redeemed or converted. Dividends are to be paid quarterly, and at the Company's discretion, in cash or Preferred Stock calculated at the purchase price. As of June 30, 2024 the accretion for the Series E Preferred Stock was $9,300.

As of June 30, 2024 there were 1,656 shares of Series E Preferred Stock remaining outstanding.

Going Concern and Management Liquidity Plans

The accompanying condensed consolidated financial statements have been prepared assuming that it will continue as a going concern. For the three months ended June 30, 2024, the Company had a net loss available for common stockholders of approximately $2,926,000. As of June 30, 2024, the Company had an accumulated deficit of approximately $186,717,000 and a working capital deficit of approximately $39,417,000. These factors raise substantial doubt about the Company's ability to continue as a going concern, within one year from the issuance date of this filing. The Company's ability to continue as a going concern is dependent on its ability to raise the required additional capital or debt financing to meet short and long-term operating requirements. During the three months ended June 30, 2024, the Company received net cash proceeds of approximately $486,000 from the sale of common shares, and $200,000 from the sale of Series G Preferred stock. Subsequent to period end, the Company received approximately $42,000 for the sale of common shares and $100,000 from the sale of Series G Preferred stock

Management believes that private placements of equity capital will be needed to fund the Company's 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, the percentage ownership of its 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 operations. The Company continues to pursue external financing alternatives to improve its working capital position. If the Company is unable to obtain the necessary capital, the Company may be unable to develop its future planned facilities and, concomitantly, increase its shrimp production.

The Company's consolidated financial statements included in this report 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 stockholders could be reduced, and such securities might have rights, preferences, or privileges senior to the rights, preferences, and privileges of the NaturalShrimp 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.

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. However, not including funds needed for capital expenditures or to pay down existing debt and trade payables, we anticipate that we will need to raise an additional $2.5 million to cover all of our capital and operational expenses over the next 12 months, not including any capital expenditures needed as part of any commercial scale-up of our equipment. 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 such financing can be obtained on commercially reasonable terms. If we are not able to obtain the additional necessary financing on a timely basis, or if we are unable to generate significant 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.

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.

Effects of Inflation

We do not believe that inflation has had a material impact on our business, revenues or operating results during the periods presented.

Critical Accounting Policies and Estimates

Our significant accounting policies are more fully described in the notes to our financial statements included in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the fiscal year ended March 31, 2024 and 2023. 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).

The warrant liabilities and fair value option on Restructured notes, are Level 3 fair value measurements.

Basic and Diluted Earnings/Loss per Common Share

Basic and diluted earnings or loss per share ("EPS") amounts in the unaudited condensed consolidated financial statements are computed in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 260 – 10 "*Earnings per Share*", which establishes the requirements for presenting EPS. Basic EPS is based on the weighted average number of shares of common stock outstanding. Diluted EPS is based on the weighted average number of shares of common stock 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 shares of common stock outstanding (denominator) during the period. As of the three months ended June 30, 2024, the Company had 5,000,000 Series A Convertible Preferred Stock which would be converted at the holder's option into approximately 1,192,874,000 underlying common shares, 1,656 of Series E Redeemable Convertible Preferred shares whose approximately 5,678,000 underlying shares are convertible at the investors' option at a fixed conversion price of $0.35, 750,000 shares of Series F Preferred Stock which would be converted at the holders' option into approximately 286,290,000 underlying common shares, 645 of Series G Redeemable Convertible Preferred shares whose approximately 387,000,000 underlying shares are convertible at the investors' option at a conversion price based on the discounted market price of $0.002 and 18,573,116 warrants outstanding which were not included in the calculation of diluted EPS as their effect would be anti-dilutive. As of the three months ended June 30, 2023, the Company had 5,000,000 Series A Convertible Preferred Stock which would be converted at the holder's option into approximately 868,264,000 underlying common shares, 1,500 of Series E Redeemable Convertible Preferred shares whose approximately 5,143,000 underlying shares are convertible at the investors' option at a fixed conversion price of $0.35, 750,000 shares of Series F Preferred Stock which would be converted at the holders' option into approximately 208,383,000 underlying common shares, and 18,573,116 warrants outstanding which were not included in the calculation of diluted EPS as their effect would be anti-dilutive.

Impairment of Long-lived Assets and Long-lived Assets

The Company will periodically evaluate the carrying value of long-lived assets to be held and used when events and circumstances warrant such a review and at least annually. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. Losses on long-lived assets to be disposed of are determined in a similar manner, except that fair values are reduced for the cost to dispose.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers, and, as such, the Company records revenue when its customers obtain control of the promised goods or services in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company will sell primarily to food service distributors, as well as to wholesalers, retail establishments and seafood distributors. Additionally, the Company will sell or rent either the NSI Technologies or Equipment.

To determine revenue recognition for the arrangements that the Company determines are within the scope of Topic 606, the Company performs the following five steps: (1) identify the contract(s) with a customer by receipt of purchase orders and confirmations sent by the Company, which includes a required line of credit approval process, (2) identify the performance obligations in the contract, which includes shipment of goods to the customer FOB shipping point or destination, (3) determine the transaction price which initiates with the purchase order received from the customer and confirmation sent by the Company and will include discounts and allowances by customer if any, (4) allocate the transaction price to the performance obligations in the contract which is the shipment of the goods to the customer and transaction price determined in step 3 above and (5) recognize revenue when (or as) the Company satisfies a performance obligation, which is when the Company transfers control of the goods to the customers by shipment or delivery of the products.

Recently Adopted Accounting Pronouncements

Our recently adopted accounting pronouncements are more fully described in Note 2 to our financial statements included herein for the quarter ended June 30, 2024.

Recently Issued Accounting Standards

In November 2023, the FASB issued Accounting Standards Update ("ASU") No. 2023-07, "*Segment Reporting (Topic* 280*) Improvements to Reportable Segment Disclosures"* which expands annual and interim disclosure requirements for reportable segments. The amendments require enhanced disclosure for certain segment items and required disclosure on how management uses reported measures to assess segment performance. The amendments do not change how segments are determined, aggregated, or how thresholds are applied to determine reportable segments. The updated standard is effective for annual periods beginning in fiscal 2025 and interim periods beginning in the first quarter of fiscal 2026. Early adoption is permitted. The Company is currently evaluating the effect of adopting this ASU.

In December 2023, the FASB issued ASU No. 2023-09 "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures"* which requires two primary enhancements of 1) disaggregated information on a reporting entity's effective tax rate reconciliation, and 2) information on cash income taxes paid. Additionally, specific disclosures related to unrecognized tax benefits and indefinite reinvestment assertions were removed. For public business entities, the new requirements will be effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. The Company is currently evaluating the effect of adopting this ASU.

In August 2020, the FASB issued ASU 2020-06, Debt - Debt with Conversion and Other Options (Subtopic 470- 20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity ("ASU 2020-06"), which simplifies the accounting for certain financial instruments with characteristics of liabilities and equity. This ASU (1) simplifies the accounting for convertible debt instruments and convertible preferred stock by removing the existing guidance in ASC 470-20, Debt: Debt with Conversion and Other Options, that requires entities to account for beneficial conversion features and cash conversion features in equity, separately from the host convertible debt or preferred stock; (2) revises the scope exception from derivative accounting in ASC 815-40 for freestanding financial instruments and embedded features that are both indexed to the issuer's own stock and classified in stockholders' equity, by removing certain criteria required for equity classification; and (3) revises the guidance in ASC 260, Earnings Per Share, to require entities to calculate diluted earnings per share (EPS) for convertible instruments by using the if-converted method. In addition, entities must presume share settlement for purposes of calculating diluted EPS when an instrument may be settled in cash or shares. For SEC filers, excluding smaller reporting companies, ASU 2020-06 is effective for fiscal years beginning after December 15, 2021 including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020. For all other entities, ASU 2020-06 is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Entities should adopt the guidance as of the beginning of the fiscal year of adoption and cannot adopt the guidance in an interim reporting period. The Company adopted ASU 2020-06 as of April 1, 2024, which had no impact on its consolidated financial statements and related disclosures.

During the period ending June 30, 2024, there were a few 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.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Applicable. As a smaller reporting company, we are not required to provide the information required by this Item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain a system of disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to provide reasonable assurance that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures.

In designing and evaluating our disclosure controls and procedures, management recognizes that any disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

The Company's management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as of the end of the period covered by this Report.

Based upon that evaluation , our principal executive officer and principal financial officer concluded that, as of June 30, 2024, our disclosure controls and procedures were not effective due to the material weaknesses in internal control over financial reporting described below. Thus, there remains a reasonable possibility that a material misstatement of the Company's interim financial statements will not be prevented or detected on a timely basis. This does not include an evaluation by the Company's registered public accounting firm regarding the Company's internal control over financial reporting. Accordingly, we cannot provide reasonable assurance that information required to be disclosed by us in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported, to allow our principal financial and executive officers to make timely decisions regarding required disclosures as of June 30, 2024.

Management's evaluation was based on the following material weaknesses in our internal control over financial reporting which existed as of March 31, 2024, and which continue to exist, as discussed in the Company's most recent Annual Report on Form 10-K:

- Inadequate segregation of duties consistent with control objectives;
- Lack of independent Board of Directors (as of the balance sheet date) and absence of Audit Committee to exercise oversight responsibility related to financial reporting and internal control;
- Lack of risk assessment procedures on internal controls to detect financial reporting risks in a timely manner; and
- Lack of documentation on policies and procedures that are critical to the accomplishment of financial reporting objectives.

Our management will continue to monitor and evaluate the relevance of our risk-based approach and the effectiveness of our internal controls and procedures 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.

Remediation Plan

Management continues to implement measures designed to ensure that control deficiencies contributing to the material weakness are remediated, such that these controls are designed, implemented, and operating effectively.

The remediation actions planned include:

- Identify gaps in our skills base and the expertise of our staff required to meet the financial reporting requirements of a public company;
- Establish an independent Board of Directors and an Audit Committee to provide oversight for remediation efforts and ongoing guidance regarding accounting, financial reporting, overall risks and the internal control environment;
- Retain additional accounting personnel with public company financial reporting, technical accounting, SEC compliance, and strategic financial advisory experience to achieve adequate segregation of duties; and
- Continue to develop formal policies and procedures on accounting and internal control over financial reporting and monitor the effectiveness of existing controls and procedures.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter ended June 30, 2024 that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect. The Company has resolved all outstanding litigation involving the Company and there are no suits or cases pending in which the Company is a party.

ITEM 1A. RISK FACTORS

Factors that could cause or contribute to differences in our future financial and operating results include those discussed in the risk factors set forth in Item 1 of our Annual Report on Form 10-K for the year ended March 31, 2024. The risks described in our Form 10-K and this Report are not the only risks that we face. Additional risks not presently known to us or that we do not currently consider significant may also have an adverse effect on the Company. If any of the risks actually occur, our business, results of operations, cash flows or financial condition could suffer.

There have been no material changes to the risk factors set forth in Item 1A of our Annual Report on Form 10-K for the year ended March 31, 2024, filed with SEC on July 17, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no unregistered sales of the Company's equity securities during the three months ended June 30, 2024 that were not previously reported in an Annual Report on Form 10-K, a Quarterly Report on Form 10-Q, or a Current Report on Form 8-K .

Unless otherwise specified, the above securities were issued in reliance on the exemption under Section 4(a)(2) of the Securities Act. The issuance of the shares to the consultant qualified for exemption under Section 4(a)(2) since the issuance by us did not involve a public offering. The offering was not a "public offering" as defined in 4(a)(2) due to the insubstantial number of persons involved in the transactions, manner of the issuance and number of securities issued. We did not undertake an offering in which we sold a high number of securities to a high number of investors. In addition, the investor had the necessary investment intent as required by Section 4(a)(2) since they agreed to and received securities bearing a legend stating that such securities are restricted pursuant to Rule 144 of the Act. This restriction ensures that these securities would not be immediately redistributed into the market and therefore not be part of a "public offering". Based on an analysis of the above factors, we have met the requirements to qualify for exemption under Section 4(a)(2) of the Securities Act.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference Form	Exhibit
31.1*	Rule 13a-14(a) / 15d-14(a) Certification of Chief Executive Officer.		
31.2*	Rule 13a-14(a) / 15d-14(a) Certification of Chief Financial Officer.		
32.1**	Section 1350 Certification of Chief Executive Officer.		
32.2**	Section 1350 Certification of Chief Financial Officer.		
101.INS*	Inline XBRL Instance Document		
101.SCH*	Inline XBRL Taxonomy Extension Schema Document		
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document		
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document		
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document		
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document		

** Filed herewith.*
*** Furnished herewith.*

SIGNATURES

Pursuant to the requirements 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

By: */s/ Gerald Easterling*
Gerald Easterling
Chief Executive Officer
(Principal Executive Officer)
Date: August 14, 2024

By: */s/ William Delgado*
William Delgado
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)
Date: August 14, 2024

Exhibit 31.1

NATURALSHRIMP INCORPORATED
CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gerald Easterling, certify that:

1. I have reviewed this quarterly report on Form 10-Q of NaturalShrimp Incorporated;

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 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.

By: */s/ Gerald Easterling*
Gerald Easterling
Chief Executive Officer
(Principal Executive Officer)
Date: August 14, 2024

Exhibit 31.2

NATURALSHRIMP INCORPORATED
CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William Delgado, certify that:

1. I have reviewed this quarterly report on Form 10-Q of NaturalShrimp Incorporated;

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 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.

By: *\/s/ William Delgado*
William Delgado
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)
Date: August 14, 2024

Exhibit 32.1

NATURALSHRIMP INCORPORATED
CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q of NaturalShrimp Incorporated (the "Company") 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.

By: */s/ Gerald Easterling*
Gerald Easterling
Chief Executive Officer
(Principal Executive Officer)
Date: August 14, 2024

Exhibit 32.2

NATURALSHRIMP INCORPORATED
CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q of NaturalShrimp Incorporated (the "Company") 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.

By: */s/ William Delgado*
William Delgado
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)
Date: August 14, 2024