



Nature's Basket

2017-18

ANNUAL REPORT

NATURES BASKET LIMITED

CORPORATE INFORMATION
BOARD OF DIRECTORS

Ms. Tanya Dubash (DIN : 00026028) – Chairman and Director

Ms. Avani Davda (DIN : 07504739) – Managing Director

Mr. Sandeep Barasia (DIN : 01432123) – Independent Director

Mr. Sandeep Murthy (DIN : 00591165) – Independent Director

CHIEF FINANCIAL OFFICER

Mr. Sumit Zaveri

COMPANY SECRETARY

Ms. Nikita Shah

STATUTORY AUDITORS

M/s. BSR & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022)

SECRETARIAL AUDITOR

M/s Aabid & Co, Practicing Company Secretary

REGISTERED OFFICE

Godrej One, 3rd Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai - 400079
CIN: U15310MH2008PLC182816
Tel : 022-2519 7788
E-mail: compliance@godrejnb.com
Website: www.naturesbasket.co.in

NOTICE

Notice is hereby given that the 10th Annual General Meeting of the Members of Natures Basket Limited will be held on Wednesday, 1st August, 2018 at 12.30 p.m. at the Registered Office of the Company, Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai – 400 079, to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet of the Company as at March 31 2018, Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Boards' Report and Auditors' Report thereon.
2. To appoint a Director in place of Ms. Tanya Dubash (DIN 00026028) who retires by rotation and being eligible, offers herself for re-appointment.

By Order of the Board of Directors

For Natures Basket Limited

A.V. Davda

Avani Davda

Managing Director

Mumbai, 10th May, 2018

REGISTERED OFFICE:

Godrej One, 3rd floor,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. However, a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

2. Corporate Members intending to send their authorized representatives to attend and vote at the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Proxy- holders are requested to carry an Identity Proof at the time of attending the meeting.
4. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
5. Members are requested to send their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.
6. The Register of Members and the Share Transfer books of the Company will remain closed from 24th July, 2018 to 1st August, 2018 (both days inclusive) for the Annual General Meeting.
7. All documents referred to in the accompanying notice and the statement shall be open for inspection at the Registered Office of the Company during normal business hours from 10 a.m. to 1 p.m. on all working days, up to and including the date of the Annual General Meeting of the Company and will also be available for inspection at the meeting.
8. Members/Proxies are requested to bring their duly filled attendance slip sent herewith at the meeting.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

BOARD'S REPORT

Dear Members,

The Directors take pleasure in presenting the 10th Annual Report together with the Audited financial Statements for the year ended 31 March 2018.

1. FINANCIAL RESULTS AND PERFORMANCE RS. IN '000'

Particulars	Current Year 2017-2018	Previous Year 2016-2017
Total Income	2,912,154	3,099,053
Loss before tax	(622,373)	(953,929)
Loss after tax	(622,373)	(953,697)
Other Comprehensive Income	2,348	(7,804)
Balance brought forward from previous year	(3,043,842)	(2,082,341)
Balance carried forward to Balance Sheet	(3,663,867)	(3,043,842)

2. DIVIDEND

No Dividend was declared for the current financial year due to insufficient profit.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE OUTLOOK

Natures Basket Limited delivered strong results with a top line of 291.2 Cr for the year FY 18 with sales growth of 18% for the same period over last year (15% same store growth).

The Company during the year, worked on defining the long-term strategy for the business. Mumbai, Pune and Bangalore continue to be focus markets for the company from the perspective of both revenue growth and profitability, with growth both in number of bills and average bill value. As a business, the Company saw the impact of various turnaround initiatives and achieved store cash profits at a network level. The Companies overall customer base has increased by over 13% in the last year and also the frequency of the most loyal customers increased by over 24%. Overall revenue from loyal customers contribute nearly 80% of overall revenue.

The focus is to excel and be a leading Omni Channel player by focusing strongly on Instore as well on line business channels in Daily Food Delight space. The online business clocked a sale of 19 Cr in FY 18, a growth of 10% for the same period over last year. It contributed to 6.5% of the overall sales. NBL continues to improve its website and App experience through regular updates and improvements.

During the year, the Company introduced i-Pro, an Operations Excellence initiative, which looks to improve performance through: 1) Improved Inventory Management 2) Better customer experience 3) Increased staff efficiency.

The brand continues to win awards in forums like Food & Grocery forum, Franchise India Retail Award for Omni Chanel performance, TRRAIN awards for Customer service etc.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

During the year there were no significant material changes and commitments between the ends of financial year to the date on which the financial statement has been made.

6. MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANIES FUTURE OPERATIONS

No material orders were passed by the Regulators/Courts/Tribunals which can impact future operations of the Company during the year under review.

7. RISKS AND CONCERNS

As we expand our physical reach both through offline as well as online expansion, we will be exposed to an increasing degree of risks. These risks can adversely impact our operating performance, cash flows, financial performance, management performance and overall sustainability. We have an active risk management strategy in place and an Internal Audit Committee, whose role is to identify potential risks, create mitigation strategies, monitor the occurrence of risk and update the Board.

The risks that may affect us include, but are not limited to:

- Economic conditions.
- Inflationary pressures and other factors affecting demand for our products.
- Increasing costs of raw material, transport and storage.
- Supplier and distributor relationships and retention of distribution channels.
- Competitive market conditions and new entrants to the market.
- Labour shortages and attrition of key staff.

- Exchange rate fluctuation and arbitrage risk.
- Compliance & regulatory pressures including changes to tax laws.
- Seasonal fluctuations

8. RISK MANAGEMENT

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company has an Internal control System commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairperson of the Audit Committee of the Board.

The Internal Audit department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

9. RESERVES

The Company transferred its loss to the reserves amounting to Rs. (3,663,867,000) during the year under review.

10. POLICY TO PREVENT SEXUAL HARASSMENT AT WORK PLACE

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (Act'), your Company has constituted an Internal Complaints Committee. The complaints received by the committee during the year under review were duly resolved.

11. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company for the year under review.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form a part of the Notes to financial statement provided in this Annual Report.

13. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "Annexure A" and is attached to this Report.

14. RELATED PARTY TRANSACTION

All related party transactions that were entered into during the year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with the promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee as also the Board for approval. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. Attention of members is also drawn to the disclosures of transactions with related parties set out in Note no. 41 of Financial Statements, forming part of the Annual Report. None of the Directors has any pecuniary relationship of transactions vis-à-vis the Company.

15. DIRECTORS

As on date, the Board of Directors of the Company comprise of 4(Four) Directors, of which 2 (Two) are Independent Directors. The Board of Directors of the Company comprise of eminent, experienced and reputed professionals from different fields.

In accordance with provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Ms. Tanya Dubash shall retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

All Independent Directors have given declarations that they meet criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

16. DISCLOSURES GIVEN BY THE DIRECTORS

The Company has received disclosures from the Directors as specified below:

- (i) **Form MBP-1:** The Company received disclosure of interest from all its Directors pursuant to Section 184 of the Companies Act, 2013 in Form MBP-1

(ii) **Declaration under Section 164:** The Company has received declaration from all the Directors informing that they are not disqualified from being appointed/re-appointed or continuing as Directors pursuant to Section 164 of the Companies Act, 2013.

(iii) **Declaration by Independent Directors:** The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013.

17. KEY MANAGERIAL PERSONNEL

Ms. Nikita Shah has been appointed as the Company Secretary w.e.f from 23rd August, 2017 as Ms. Sushma Shukla, stepped down from the position of Company Secretary, with effect from 15th May, 2017.

18. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS, ITS INDIVIDUAL MEMBERS AND ITS COMMITTEES

Your Company has conducted a formal Board Effectiveness Review as part of its efforts to evaluate, identify improvements and thus enhance the effectiveness of the Board, its Committees and Individual Directors, this was in line with the requirements mentioned in Companies Act, 2013.

The Corporate HR team of Godrej Industries Limited and Associate Companies (GILAC) worked directly with the Chairperson and the Nomination and Remuneration Committee of the Board, to design and execute this process which was adopted by the Board. Each Board Member completed a confidential online questionnaire, providing vital feedback on how the Board currently operates and how it might improve its effectiveness.

The survey comprises four sections and compiled feedback and suggestions on:

- Board Processes (including Board Composition, strategic orientation and team dynamics) ;
- Individual Committees ;
- Individual Board Members ; and
- The Chairman

The following reports were created, as part of evaluation:

- Board Feedback Report;
- Individual Board Member Feedback Report; and
- Chairman's Feedback Report

19. REMUNERATION POLICY

Your Company's total rewards framework aims at holistically utilising elements such as fixed and variable compensation, long-term incentives, benefits and perquisites and non-compensation elements (career development, work life balance and recognition).

The rewards framework offers the flexibility to employees to customize different elements, basis need. It is also integrated with your Company's performance and talent management processes and designed to ensure sharply differentiated rewards for the best performers.

The total compensation for a given position is influenced by three factors: position, performance and potential.

20. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had held following meetings during the financial year under review:

Board Meeting

Five (5) Board meetings were held during the year on 11th May, 2017, 15th June, 2017, 3rd August, 2017, 6th November, 2017 and 12th February, 2018.

Audit Committee Meeting

Five (5) Audit Committee Meetings were held during the year on 11th May, 2017, 15th June, 2017, 3rd August, 2017, 6th November, 2017 and 12th February, 2018.

Nomination & Remuneration Committee Meeting

One (1) Nomination & Remuneration Committee Meeting was held on 3rd August, 2017

The composition of the Board and the details of the Directors participation at the Meetings is as under:

Sr. No.	Date	Board Meeting	ACM	NRCM	EGM	AGM	Directors / Members			
							Ms. Tanya Dubash	Ms. Avani Davda	Mr. Sandeep Barasia	Mr. Sandeep Murthy
1	11 th May, 2017	✓	✓	-	✓	-	✓	✓	✓	✓
2	15 th June, 2017	✓	✓	-	-	-	✓	✓	x	✓
3	3 rd August, 2017	✓	✓	✓	-	✓	✓	✓	✓	✓
4	6 th November, 2017	✓	✓	-	-	-	✓	✓	✓	✓
5	12 th February, 2018	✓	✓	-	-	-	✓	✓	✓	✓

Notes:s

- ACM – Audit Committee Meeting
- NRCM – Nomination and Remuneration Committee Meeting
- EGM – Extra Ordinary General Meeting
- AGM – Annual General Meeting

21. DIRECTORS RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information and explanations obtained by them, your directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. That in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That such accounting policies as mentioned in the notes to the Financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit/loss of the company for the year ended on that date;
- c. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. That the annual financial statements have been prepared on a going concern basis;
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

23. DEPOSITS

The Company did not accept any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review and there are no outstanding deposits as on date.

24. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND VIGIL MECHANISM

The Audit Committee consists of the following member's

- a. Ms. Tanya A. Dubash, Chairperson
- b. Mr. Sandeep Murthy, Member
- c. Mr. Sandeep Barasia, Member

The above composition of the Audit Committee consists of independent Directors viz., Mr. Sandeep Murthy and Mr. Sandeep Barasia who form the majority.

25. VIGIL MECHANISM

The Company's policy on Vigil Mechanism is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013. The purpose of the policy is to allow the employees to raise concerns about unacceptable improper practices and/or any unethical practices being followed in the organization without necessarily informing their superiors. All the employees shall be protected from any adverse action for reporting any unacceptable/ improper practice and/or any unethical practice or frauds or violation of any law, rule or regulation so long as the employee. Apart from the employees, this policy will be applicable to the Directors of the Company also. The Audit Committee reviews, the reporting's made under this policy and implements corrective actions, wherever necessary.

26. AUDITORS

Statutory Auditors

At the Annual General meeting held on 3rd August, 2017, M/s, BSR & Co. LLP, Chartered Accountants, Mumbai, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year in 2022. The Auditors have also confirmed that they hold a valid certificate issued by the peer review Board of the Institute of Chartered Accountants of India.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Aabid & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the company. The Report of the Secretarial Audit is annexed herewith as "Annexure B"

27. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The explanations /comments made by the Board relating to the qualifications, reservations or adverse remarks made by the Auditors in their report are furnished "Annexure C" and is attached to this report. The Statutory auditor stated qualified opinion in the Auditors report as there were several changes in the process/ policies of the Company. However, the Company is in process of ensuring that all internal control systems are in place for all the changes incorporated.

There was no adverse comments, qualifications or reservations or adverse remarks in the Secretarial Audit Report.

28. SHARE CAPITAL

During the period under review, the Authorized Share Capital of the Company did not change. Your Company allotted 6,00,00,000 (Six Crores) Equity Shares to the entities forming part of Promoter group during the financial year.

29. RIGHTS ISSUE

Your Company had vide Offer Letter dated 11th May, 2017 issued 1,500,000 (One crore Fifty Lacs) Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0.0485076 Equity Share for every 1 (One) Equity Share held, to all such members of the Company whose names appear on the Register of Members of the Company as holders of the Equity Shares of the Company.

The Company vide Offer Letter dated 3rd August, 2017, issued 1,500,000 (One crore Fifty Lacs) Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0.0462635 new Equity share for every 1 (one) Equity Share held, to all such members of the Company whose names appear on the Register of Members of the Company as holders of the Equity Shares of the Company.

The Company vide Offer Letter dated 6th November, 2017, issued 1,500,000 (One crore Fifty Lacs) Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0.0442178 new Equity share for every 1 (one) Equity Share held, to all such members of the Company whose names appear on the Register of Members of the Company as holders of the Equity Shares of the Company.

The Company vide Offer Letter dated 12th February, 2018, issued 1,500,000 (One crore Fifty Lacs) Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0.0423454 new Equity share for every 1 (one) Equity Share held, to all such members of the Company whose names appear on the Register of Members of the Company as holders of the Equity Shares of the Company.

30. PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended in the Financial Statements.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company

during working hours before 21 days of the Annual General Meeting and shall be made available to any shareholder on request.

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in "Annexure D" and is attached to this report.

32. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organisations for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the company for their unstinted commitment and continued contribution to the Company.

"Annexure A" to this Report gives the Extract of Annual Return to be filed by the Company under the Companies Act, 2013.

"Annexure B" to this Report contains the Secretarial Audit Report.

"Annexure C" to this Report contains the Statutory Auditors Report.

"Annexure D" to this Report gives the information in respect of conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo, required under Section 134 (2)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and forms a part of the Directors' Report.

The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

For and on behalf of the Board of Directors



Tanya A. Dubash
Chairperson
DIN: 00026028



Avani V. Davda
Managing Director
DIN: 07504739

Mumbai, May 10, 2018

ANNEXURE – A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN As on the financial year ended on 31st March 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN: - U15310MH2008PLC182816

ii) Registration Date: 29 May 2008

iii) Name of the Company: Natures Basket Limited

iv) Category / Sub-Category of the Company: Public Company

v) Address of the registered office and contact details: Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway Vikhroli (East) Mumbai Maharashtra-400079

vi) Whether Listed Company: No

vii) Name, Address and Contact details of Registrar and Transfer Agent: N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl.No.	Name and Description of Main Products / Services	NIC Code of the Product/ service	% to total turnover of the company
1.	Retail Trading	Trade – G2	100
2.	N/A	N/A	N/A
3.	N/A	N/A	N/A

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl.no.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ associate	% of shares held	Applicable section
1.	Godrej Industries Limited	L24241MH1988PLC097781	HOLDING	100%	Section 2(46) of Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

a) Category wise Share Holding

[illegible]

ii) Individual shareholder's holding nominal share capital In excess of Rs 1Lakh capital	0	0	0	0	0	0	0	0	0
c) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public shareholding (B)= (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by custodian for GDR's & ADR;s									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public	0	0	0	0	0	0	0	0	0
Grand Total(A+B +C)	0	309,230,000	309,230,000	100	0	369,230,000	369,230,000	100	19.40

b) Shareholding of Promoters

Sl. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Godrej Industries limited	309,230,000	100	N/A	369,230,000	100	N/A	19.40
	Total	309,230,000	100	N/A	369,230,000	100	N/A	19.40

c) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	309,230,000	100		
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	a. Allotted on 3 rd August, 2017, 1,50,00,000 Equity Shares on Rights basis @Rs. 10 each	100	324,230,000	100
		b. Allotted on 27 th September, 2017, 1,50,00,000 Equity Shares on Rights basis @Rs. 10 each	100	339,230,000	100
		c. Allotted 20 th December, 2017, 1,50,00,000 Equity Shares on Rights basis @Rs. 10 each	100	354,230,000	100
		d. Allotted on 19 th March, 2018, 1,50,00,000 Equity Shares on Rights basis @Rs. 10 each	100	369,230,000	100

3.	At the End of the year			369,230,000	100

d) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	At the beginning of the year	N/A	N/A	N/A	N/A
3.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	N/A	N/A	N/A	N/A
4.	At the End of the year (or on the date of separation, if separated during the year)	N/A	N/A	N/A	N/A

e) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	At the beginning of the year	N/A	N/A	N/A	N/A
3.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N/A	N/A	N/A	N/A
4.	At the End of the year	N/A	N/A	N/A	N/A

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	367,574,007	100,000,000	-	467,574,007
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,622,116	785,616	-	3,407,732
Total (i+ii+iii)	370,196,123	100,785,616	-	470,981,739
Change in Indebtedness during the financial year				
• Addition	100,000,000	370,000,000	-	470,000,000
• Reduction	104,251,556	100,000,000	-	204,251,556
Net Change	(4,251,556)	270,000,000	-	265,748,444
Indebtedness at the end of the financial year				
i) Principal Amount	363,322,012	370,000,000	-	733,322,012
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,942,412	2,441,781	-	4,384,193
Total (i+ii+iii)	365,264,424	372,441,781	-	737,706,205

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.N o.	Particulars of Remuneration	<u>Name of MD/WTD-</u>
		Avani V. Davda
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,57,80,761
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil

	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify	Nil
5.	Others, please specify	Nil
	Total (A)	1,57,80,761
Ceiling as per the Act		In compliance with Schedule V of the Companies Act 2013 & in compliance with the Approval obtained from Central Government

B. Remuneration to other directors:

Sl.No.	Particulars of Remuneration	Sandeep Murthy	Sandeep Kumar Barasia	Total Amount
1.	Independent Directors			
	• Fee for attending board committee meetings	756,000	542,000	12,98,000
	• Commission	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil
	Total (1)	756,000	542,000	12,98,000
2.	Other Non-Executive Directors			
	• Fee for attending board committee meetings	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil
	Total (B) = (1+2)	756,000	542,000	12,98,000
Ceiling as per the Act		In compliance with the Companies Act 2013		

C. Remuneration to key managerial personnel other than MD/Manager/WTD

SLN o.	Particulars of Remuneration	<u>Key Managerial Personnel</u> Company Secretary - Sushma Shukla & Nikita Shah CFO - Sumit Zaveri				Total Amount
		CEO	Company Secretary	Company Secretary	CFO	
			Sushma Shukla	Nikita Shah	Sumit Zaveri	

			(upto 15 th May, 2017)	(w.e.f 19 th June, 2017)		
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	93,146	3,68,326	92,17,695	96,79,167
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total	Nil	93,146	3,68,326	92,17,695	96,79,167

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act) : NONE

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Natures Basket Limited

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Natures Basket Limited** (herein after called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing opinion thereon.

Based on our verifications of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by **Natures Basket Limited** as given in **Annexure I** for the Financial Year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the Rules made there under,
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is applicable to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - i) The other Laws applicable specifically to the company is Annexed with this Report as **ANNEXURE- II.**

The Company is not listed on any Stock Exchange in India, therefore only clause (I), (IV) sub clause (i) of clause (V) are applicable to the Company.

We have also examined Compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Company is not listed on any Stock Exchange of India; hence compliance related to Listing Agreements is not applicable to the Company.



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Director and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were circulated at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company which commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

Place: Mumbai

Date: 10th May, 2018

Secretaries

Membership No.: F6579

CoP No.: 6625



For Aabid & Co.
Company

Mohammad Aabid
Partner

Note: This report is to be read with our letter of even date which is annexed as 'Annexure-III' and forms an integral part of this report.

ANNEXURE – I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial Year ended 31st March, 2017.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration committee, along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Agenda papers submitted to all the directors/members for the Board Meetings and Committee meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of Companies Act, 2013.
7. E-forms filed by the company, from time to time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
8. Intimations / documents/ reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.
9. Statutory Registers viz.
 - Register of Directors' & Key Managerial Personnel (KMP)
 - Register of Members
 - Register of Charges



ANNEXURE – II

List of Applicable Laws to the CompanyRegistered Office :

Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway Vikhroli (East) Mumbai ,
Maharashtra (India) 400079

Under the Major Group and Head :

- 1) Companies Act, 2013.
- 2) The Maternity Benefit Act, 1961.
- 3) The Payment of Gratuity Act, 1972
- 4) The Maharashtra Shops & Establishment Act, 1972
- 5) The Employee's State Insurance Act, 1948
- 6) Employee's Compensation Act, 1923
- 7) The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975
- 8) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- 9) The Employees Provident Funds and Miscellaneous Provisions Act, 1952
- 10) The Profession Tax Act, 1975.
- 11) Tourism Policy of Maharashtra, 2006
- 12) The Food, Safety & Standard Act, 2006
- 13) The Bombay Prohibition Act, 1949
- 14) Legal Metrology Act, 2009
- 15) The Environment (Protection) Act, 1986
- 16) Water (Prevention and Control of Pollution) Act, 1974
- 17) Air (Prevention and Control of Pollution) Act, 1981
- 18) Environment Protection Act, 1986
- 19) Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008
- 20) Bombay Police Act, 1951
- 21) Entertainment Duty Act, Bombay 1923
- 22) Maharashtra Fire Prevention & Life Safety Measures Act, 2006
- 23) Income Tax Act, 1961
- 24) Relevant provisions of the Service Tax and Rules and Regulations thereunder.
- 25) The Foreign Exchange Management Act, 1999, Rules and Regulations made thereunder.



ANNEXURE-III

To,
The Members,
Natures Basket Limited.

Our report of even date is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance laws, rules and regulations, and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.



B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

INDEPENDENT AUDITOR'S REPORT

To the Members of Natures Basket Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Natures Basket Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information,

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.



Independent Auditor's Report (Continued)

Natures Basket Limited

Auditor's Responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion


In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs of the Company as at 31 March 2018, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Emphasis of matter

We draw attention to Note no. 34 which more fully explains that the Ind AS financial statements have been prepared on a going concern basis notwithstanding substantial erosion in net worth, in view of further infusion of additional equity by its promoters/shareholders.

Other Matters

The comparative financial information of the Company for the year ended 31 March 2017, prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statement for the relevant period. The report of predecessor auditor on the comparative financial information dated 11 May 2017 expressed an unmodified opinion. Our opinion is not modified in respect of this matter.



Independent Auditor's Report (*Continued*)

Natures Basket Limited

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) The going concern matter described under the Emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 35 to the Ind AS financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



Independent Auditor's Report (*Continued*)

Natures Basket Limited

Report on Other Legal and Regulatory Requirements (*Continued*)

- iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

For B S R & Co. LLP
Chartered Accountants
Firm Reg No. 101248W/W-100022



Vijay Mathur
Partner
Membership No. 046476

Place: Mumbai
Date: 10 May 2018


Natures Basket Limited

Annexure A to the Independent Auditor's Report - 31 March 2018

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not have any immovable property and hence the provision of sub clause (c) of paragraph 3(i) of the Order is not applicable.
- (ii) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were material. However discrepancies identified during the physical count have been properly accounted in the books of account.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, investments, guarantees and security to which the provisions of Section 185 and 186 of the Act apply. Accordingly, paragraph 3 (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) In our opinion and according to the information and explanation given to us, the maintenance of cost records as per Section 148 is not applicable to the Company under Companies (Cost Record and Audit) Rules, 2014.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and services tax, cess, profession tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.




Natures Basket Limited

Annexure A to the Independent Auditor's Report- 31 March 2018 (Continued)

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, value added tax, service tax, duty of customs, duty of excise outstanding on account of any dispute except:

Sr. No.	Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which relates	Forum where the dispute is pending
1.	Income Tax Act, 1961	Interest	842,536	2012-13	Commissioner of Income Tax (Appeals) - Mumbai
2	Finance Act, 1994	Service Tax	20,000,000	2010-11 to 2014-15	Custom Excise and Service Tax Tribunal
3	MVAT Act, 2002	VAT	27,761,159	2010-11 2012-13	Maharashtra Sales Tax Tribunal

- (viii) According to the information and explanations given to us, Company has not defaulted in repayment of loans and borrowing from financial institutions and banks. The Company did not have any outstanding loans or borrowings to government or debenture holders during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records, the term loans obtained by the Company were applied for the purpose for which the loans were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 

Natures Basket Limited

Annexure A to the Independent Auditor's Report- 31 March 2018 (Continued)

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the Ind AS financial statements as required by applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/ W – 100022

Vijay Mathur
Partner

Membership No: 046476

Mumbai
10 May 2018

Natures Basket Limited

Annexure B to the Independent Auditor's Report- 31 March 2018

(Referred to in our report of even date)

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

We have audited the internal financial controls over financial reporting of Natures Basket Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial control system over financial reporting.



Natures Basket Limited

Annexure B to the Independent Auditor's Report- 31 March 2018 (Continued)

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.


Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at 31 March 2018:

- a) The Company did not have an appropriate internal control system over inventory count and physical verification, which could potentially result in the Company recognizing inventory without establishing the existence of the inventory.

A "material weakness" is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is reasonable possibility that a material misstatement of the company's annual or interim financial statement will not be prevented or detected on timely basis.

In our opinion, except for the effect/possible effect of the material weakness described above on the achievement of the objectives of control criteria, the Company has maintained, in all material respects, adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India.



Natures Basket Limited

Annexure B to the Independent Auditor's Report- 31 March 2018 *(Continued)*

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2018 Ind AS financial statements of the Company, and the material weakness does not affect our opinion on the Ind AS financial statements of the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/ W – 100022



Vijay Mathur

Partner

Membership No: 046476

Mumbai

10 May 2018

NATURES BASKET LIMITED
Balance Sheet As At March 31, 2018

		Rs. in Thousand	
Particulars	Note No.	March 31, 2018	March 31, 2017
I Assets			
(1) Non Current Assets			
(a) Property Plant and Equipment	2	368,676	302,010
(b) Capital Work in Progress	2	13,117	16,682
(c) Goodwill	2	53,076	53,076
(d) Other Intangible Assets	2	10,324	13,617
(e) Financial Assets	3		
(i) Non Current Investments		2,197	1,764
(ii) Non Current Loans		82,055	73,682
(iii) Other Non Current Financial Assets		4,418	4,393
(f) Other Non Current Assets	4	24,527	20,131
Total Non Current Assets		558,390	485,355
(2) Current Assets			
(a) Inventories	5	228,295	195,401
(b) Financial Assets			
(i) Current Investment	3a	100,170	-
(ii) Trade Receivables	6	78,539	35,631
(iii) Cash And Cash Equivalents	7	72,434	200,400
(iv) Other Bank Balances	8	353	63
(v) Current Loans	9	43,950	27,203
(vi) Other Current Financial Assets	10	54,829	5,290
(c) Current Tax Assets (net)	11	9,898	8,721
(d) Other Current Assets	12	80,904	49,088
(e) Non Current Assets Held for Sale	13	5,504	5,504
Total Current Assets		674,876	527,301
Total Assets		1,233,266	1,012,656
II. Equity And Liabilities			
(1) Equity			
(a) Equity Share Capital	14	3,692,300	3,092,300
(b) Other Equity	15	(3,663,868)	(3,043,843)
Total Equity		28,432	48,457
(2) Non Current Liabilities			
(a) Financial Liabilities			
(i) Non Current Borrowings	16	255,737	263,322
(b) Non Current Provisions	17	5,017	8,479
Total Non Current Liabilities		260,754	271,801
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Current Borrowings	18	370,000	100,000
(ii) Trade Payables	19	260,042	253,234
(iii) Other Current Financial Liabilities	20	300,394	309,591
(b) Other Current Liabilities	21	10,473	23,901
(c) Current Provisions	22	3,171	5,672
Total Current Liabilities		944,080	692,398
Total Equity And Liabilities		1,233,266	1,012,656

The Notes 1 to 40 form an integral part of the Financial Statements
As per our Report of even date

For BSR & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

VIJAY MATHUR
Partner
Membership Number: 046476
Place: Mumbai
Dated: May 10, 2018

For and on behalf of the Board of Natures Basket Limited
CIN: U15310MH2008PLC182816

AVANI V. DAVDA
Managing Director
DIN: 07504739
SUMIT ZAVERI
Chief Financial Officer
Membership No. 104045

TANYA A. DUBASH
Chairperson
DIN: 00026028
NIKITA SHAH
Company Secretary
ACS 52473

NATURES BASKET LIMITED
Statement Of Profit And Loss For The Year Ended March 31, 2018

			Rs. in Thousand
Particulars	Note No.	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Income			
Revenue from Operations	23	2,894,668	3,035,670
Other Income	24	17,486	63,383
Total Income		2,912,154	3,099,053
Expenses			
(1) Purchases of Traded Goods	25	2,200,772	2,261,962
(2) (Increase)/ decrease in inventories of traded goods	26	(32,894)	47,588
(3) Employee Benefits Expense	27	342,204	286,174
(4) Finance Costs	28	52,785	76,399
(5) Depreciation And Amortisation Expense	2	82,569	101,189
(6) Other Expenses	29	889,091	1,279,670
Total Expenses		3,534,527	4,052,982
(Loss) Before Tax		(622,373)	(953,929)
Tax Expense			
(a) Tax Adjustment		-	232
(Loss) For The Year		(622,373)	(953,697)
Other Comprehensive Income/ (Loss)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on post employment benefit plan		2,348	(7,804)
Total other comprehensive income/ (Loss) not to be reclassified to profit or loss in subsequent periods		2,348	(7,804)
Total comprehensive (Loss) for the year		(620,025)	(961,501)
Earnings per share : (Basic/Diluted) in Rs.	30	(1.88)	(3.64)

The Notes 1 to 40 form an integral part of the Financial Statements
As per our Report of even date

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

VIJAY MATHUR
Partner
Membership Number: 046476
Place: Mumbai
Dated: May 10, 2018

For and on behalf of the Board of Natures Basket Limited
CIN: U15310MH2008PLC182816

A.V. Davda
AVANI V. DAVDA
Managing Director
DIN: 07504739

Sumit Zaveri
SUMIT ZAVERI
Chief Financial Officer
Membership No. 104045

Tanya A. Dubash
TANYA A. DUBASH
Chairperson
DIN: 00026028

Nikita Shah
NIKITA SHAH
Company Secretary
ACS 52473

NATURES BASKET LIMITED
Statement Of Changes in Equity For The Year Ended March 31, 2018

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid
Balance As at April 1, 2016
Changes in Equity Share Capital during the year (Refer Note 14)
As at March 31, 2017
Changes in Equity Share Capital during the year (Refer Note 14)
Balance As at March 31, 2018

No. in Thousands	Rs. in Thousand
225,230	2,252,300
84,000	840,000
309,230	3,092,300
60,000	600,000
369,230	3,692,300

b. Other Equity (Refer Note 15)

	Reserves & Surplus	Items of Other Comprehensive Income (OCI)		Rs. in Thousand
	Retained earnings	Re-measurement gains/ (losses) on post employment benefit plans	Net gain/ (loss) on Fair Value Through OCI: Equity Securities	Total Other Equity
As at April 1, 2017	(3,035,659)	(8,701)	518	(3,043,843)
Profit/ (Loss) for the period	(622,373)	-	-	(622,373)
Other Comprehensive Income		2,155	193	2,348
Total Comprehensive Income	(622,373)	2,155	193	(620,025)
As at March 31, 2018	(3,658,032)	(6,546)	711	(3,663,868)

For The Period Ended March 31, 2017

	Reserves & Surplus	Items of Other Comprehensive Income (OCI)		Rs. in Thousand
	Retained earnings	Re-measurement gains/ (losses) on post employment benefits	Net gain/ (loss) on FVTOCI Equity Securities	Total Equity
As at April 1, 2016	(2,081,962)	(897)	518	(2,082,341)
Restated balance as at April 1, 2016	(2,081,962)	(897)	518	(2,082,341)
Profit/ (Loss) for the period	(953,697)			(953,697)
Other Comprehensive Income	-	(7,804)	-	(7,804)
Total Comprehensive Income	(953,697)	(7,804)	-	(961,501)
As at March 31, 2017	(3,035,659)	(8,701)	518	(3,043,843)

The Notes 1 to 40 form an integral part of the Financial Statements
As per our Report of even date

For and on behalf of the Board of Natures Basket Limited
CIN: U15310MH2008PLC182816

For BSR & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

VIJAY MATHUR
Partner
Membership Number: 046476
Place: Mumbai
Dated: May 10, 2018

AVANI V. DAYDA
Managing Director
DIN: 07504739

SUMIT ZAVERI
Chief Financial Officer
Membership No. 104045

TANYA A. DUBASH
Chairperson
DIN: 00026028

NIKITA SHAH
Company Secretary
ACS 52473

NATURES BASKET LIMITED
Cash Flow Statement For The Year Ended March 31, 2018

Particulars	Rs. in Thousand	
	March 31, 2018	March 31, 2017
A. Cash Flow from Operating Activities :		
(Loss) Before Tax	(622,373)	(953,929)
Adjustments for:		
Depreciation and Amortisation Expense	82,569	101,189
Loss On Sale Of Assets	747	121,154
Provision for Doubtful Advance	487	6,909
Interest Expenses	52,785	76,399
Prepaid Rent Amortization of Financial Instruments	7,035	20,275
Doubtful Advances written off	-	28
Bad Debts Written Off	6	-
Interest unwinded on Financial Instruments	(6,763)	(20,959)
Liabilities no longer required written back	-	(2,795)
Interest Income	(364)	(34,592)
Dividend Income	(8)	(4)
	136,494	267,604
Operating Cash Flows Before Working Capital Changes	(485,879)	(686,325)
Adjustments for:		
Inventories	(32,894)	47,589
Trade Receivables	(42,908)	(3,565)
Current Loans, Other Current Financial Assets and Other Current Assets	(98,103)	(30,152)
Non Current Loans, Other Non Current Financial Assets & Other Non Current Assets	(9,462)	13,598
Trade Payables	6,807	(37,200)
Non Current Provisions	(3,463)	2,542
Other Non Current Liabilities	-	-
Current Provisions, Other Current Financial Liabilities & Other Current Liabilities	(27,099)	62,332
	(207,122)	55,144
Cash used in from Operations	(693,001)	(631,181)
Taxes Paid (net of refund received)	(1,177)	(2,088)
Net Cash Flow used in Operating Activities	(694,178)	(633,269)
B. Cash Flow from Investing Activities :		
Acquisition of property, plant and equipment	(147,204)	(92,950)
Proceeds from Sale of property, plant and equipment	20	3,126
Intercompany Deposit Placed	-	(770,000)
Recovery of Intercompany Deposit Placed	-	822,000
Interest Received	364	45,103
Investments made during the year	(100,603)	-
Fixed deposits Placed During the Period	(314)	(296)
Dividend Received	9	4
Net Cash Flow from/(used in) Investing Activities	(247,727)	6,987
C. Cash Flow from Financing Activities :		
Proceeds from Issue of Capital	600,000	840,000
Proceeds from Non Current Borrowings	100,000	(0)
Repayment of Non Current Borrowings	(104,252)	(105,081)
Proceeds from Current Borrowings	370,000	600,000
Repayment of Current Borrowings	(100,000)	(552,000)
Interest Paid	(51,809)	(86,236)
Net Cash Flow from Financing Activities	813,939	696,683
Net (decrease)/ increase in Cash and Cash Equivalents	(127,966)	70,401
Cash and Cash Equivalents (Opening Balance) (Refer Note 7)	200,400	129,999
Cash and Cash Equivalents (Closing Balance)(Refer Note 7)	72,434	200,400

Note 1 - Reconciliation of Liabilities arising from Financing activities

Particulars	As at 31 March 2017	Cash Flow	As at 31 March 2018
Non-current Borrowing	367,574	(4,252)	363,322
Current Borrowing	100,000	270,000	370,000
Total Borrowing	467,574	265,748	733,322

Notes:

- (a) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on "Cash Flow Statements", and presents cash flows by operating, investing and financing activities.
(b) Figures in brackets are outflows.

The Notes 1 to 40 form an integral part of the Financial Statements
As per our Report of even date

For BSR & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

VIJAY MATHUR
Partner
Membership Number: 046476
Place: Mumbai
Dated: May 10, 2018

For and on behalf of the Board of Natures Basket Limited
CIN: U15310MH2008PLC182816

AVANI V. DAVDA
Managing Director
DIN: 07504739
SUMIT ZAVERI
Chief Financial Officer
Membership No. 104045

TANYA A. DUBASH
Chairperson
DIN: 00026028
NIKITA SHAH
Company Secretary
ACS 52473

NATURES BASKET LIMITED
For The Year Ended March 31, 2018
Notes to the Financial Statements

Note No. 1 - Significant Accounting Policies

(1) Company Overview

Natures Basket Limited ("the Company") is a Public Limited Company incorporated under the Companies Act, 1956 on May 29, 2008. The Company is in the business of selling Premium Gourmet products. As at 31 March 2018, the Company has 30 active stores and 3 Distribution Centres in Mumbai, Pune and Bangalore. The Company is a subsidiary of Godrej Industries Limited.

(2) Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

The Financial Statements of the Company for the year ended March 31, 2018 were authorised for issuance in accordance with a resolution of the Board of Directors on May 10, 2018

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost convention basis, except for the following:

- a) Certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- b) Defined benefit plans - plan assets measured at fair value
- c) Assets Held for Sale - Measured at fair value less cost to sell

(iii) Functional and presentation currency:

These financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest thousand, unless otherwise indicated.

(3) Key estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

i) Determination of the estimated useful lives of tangible assets

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

ii) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.



iii) Recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

iv) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

v) Discounting of Non-current financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

(4) Measurement of Fair Values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(5) Accounting Policies

i) Property, Plant & Equipment

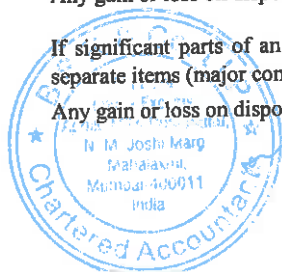
Items of property, plant & equipment have been stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold Land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
 - b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
 - c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.
- Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.



ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation / Amortisation

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

Plant & Machinery	7.5 Years
Electric Installations	10 Years
Lease Hold Improvements	Lower of: (a) Primary Lease and Secondary Lease Period; or (b) Useful life

Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase/acquisition.

iv) Intangible Assets and Goodwill

Goodwill arising on business acquisition is measured at cost less accumulated impairment losses.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Other Intangible Assets which are acquired by the Company have finite useful lives and are measured at cost less accumulated amortization and any accumulated impairment losses. Goodwill is tested for impairment.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the Statement of Profit or Loss.

The intangible assets are amortised over the estimated useful lives as given below:

Computer Software	6 Years
Website Platform	10 Years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

v) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

vi) Impairment of Assets

Non-financial assets

The Company assesses whether there is an indication that an asset may be impaired at each Balance Sheet date and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. Goodwill is tested annually for impairment.

The recoverable amount is determined at the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rates that reflects current market assessments of the time value of money and the risk specific to the asset.

If the assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss. When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

vii) Inventories

Stock in Trade is valued at weighted average cost or market value, whichever is lower. Packing Material is treated as consumed on purchase.



The cost of inventories have been computed to include all cost of purchases and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realizable value.

viii) Provisions and Contingent Liabilities

Provisions are recognized in the accounts in respect of present probable obligations the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

ix) Revenue Recognition

a) Sale of Goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

b) Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

c) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the statement of profit or loss.

x) Loyalty Program

Sales is allocated between the loyalty programme and the other components of the transaction. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when the Company has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the points under the programme will be redeemed.

xi) Retirement & Other Employee Benefits

(i) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

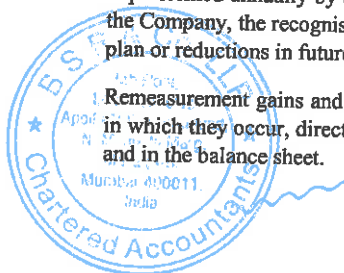
Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

(ii) Post Employment Benefits:

Defined Contribution Plans: The Company's contributions paid/payable to Regional Provident Fund, Super Annuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

Defined Benefit Plans: The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.



(iii) Other long term employee benefits:

Liability towards Long-term Compensated Absences are determined based on actuarial valuation by independent actuaries as at the date of the Balance Sheet using Projected Unit Credit method. Actuarial gains/losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognized in the Statement of Profit & Loss of the year.

(iv) Terminal Benefits:

All terminal benefits are recognized as an expense in the period in which they are incurred.

xii) Earnings Per Share

Basic earnings per share is computed using the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the period, except where the results would be anti-dilutive.

xiii) Foreign currency transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency") The Indian Rupee (INR) is the functional and presentation currency of the Company.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

The gains or losses resulting from translations of monetary assets and liabilities are included in net profit in the Statement of Profit and Loss.

xiv) Taxes on Income:

Income Tax expense comprises of current and deferred tax. Income Tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognised in other comprehensive income.

i) Current Tax

Current Tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year determined in accordance with the provisions of the Income Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

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

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii) Deferred tax

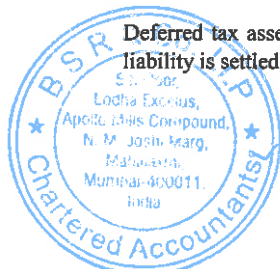
Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liability is not recognized for the following taxable temporary differences:

- a) on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- b) initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

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



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

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

xv) Lease

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

Finance Lease

Agreements are classified as finance leases (including those for land), if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Finance leases are capitalized at the commencement of the lease at fair value of the lease property or at the present value of the minimum lease payments, whichever is lower. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit & Loss.

A leased asset is depreciated over the useful life of the asset.

Operating Lease

Agreements (including those for land) which are not classified as finance leases are considered as operating lease (where a significant portion of the risk and rewards of ownership are retained by the lessor). Payments made under operating leases are recognized in Statement of Profit and Loss on straightline basis unless the increase is in line with the inflation trends. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

xvi) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i) Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement

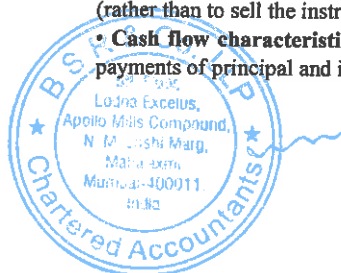
For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii) Financial Liabilities

Initial recognition and measurement

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

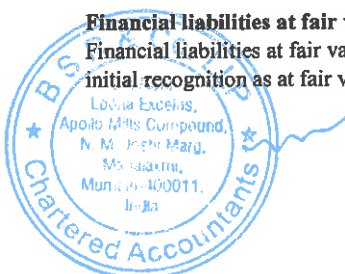
The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.



Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition:

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

xvii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xviii) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



2 Property Plant and Equipment

Gross block	Plant & Machinery	Furniture & Fixtures	Vehicles	Equipments	A.C., Water Coolers	Electrical Equipments & Installation	Computers	Servers & Networks	Leasehold Improvements	Total
Balance as at 31 March 2016	88,004	148,599	174	27,051	47,552	25,179	14,744	2,399	191,271	544,973
Additions	11,319	15,956	-	7,496	4,314	497	1,974	2,998	19,174	63,728
Disposals	(25,344)	(48,178)	(16)	(7,243)	(12,743)	(11,101)	(2,561)	(643)	(64,643)	(172,472)
Balance as at 31 March 2017	73,979	116,377	158	27,304	39,123	14,575	14,157	4,754	145,802	436,229
Additions	22,358	8,085	-	5,209	3,759	1,414	7,162	52	98,369	146,418
Disposals	-	(1,228)	(9)	(217)	(305)	-	(80)	-	-	(1,839)
Balance as at 31 March 2018	96,337	123,234	149	32,296	42,577	15,989	21,239	4,806	244,171	580,798
Accumulated depreciation and amortisation										
Balance as at 31 March 2016	13,516	14,766	32	7,283	11,279	2,692	4,907	416	35,276	90,167
Depreciation charge	15,576	16,889	19	7,542	11,491	2,706	4,819	715	37,895	97,652
Reversal on disposal of assets	8,658	(10,291)	(8)	(3,963)	(6,579)	(2,434)	(1,646)	(232)	(19,789)	(53,600)
Balance as at 31 March 2017	20,434	21,364	43	10,862	16,191	2,964	8,080	899	53,382	134,219
Depreciation charge	12,452	12,418	19	5,944	7,697	1,701	4,251	820	33,675	78,977
Reversal on disposal of assets	-	(1,007)	(5)	0	0	0	(62)	-	-	(1,074)
Balance as at 31 March 2018	32,886	32,775	57	16,806	23,888	4,665	12,269	1,719	87,057	212,122
Net block										
Balance as at 31 March 2017	53,545	95,013	115	16,442	22,932	11,611	6,077	3,855	92,420	302,010
Balance as at 31 March 2018	63,451	90,459	92	15,490	18,689	11,324	8,970	3,087	157,114	368,676

(Amount in Rs.)

Gross block	Capital Work in Progress
Balance as at 31 March 2016	-
Additions	16,682
Disposals	-
Balance as at 31 March 2017	16,682
Additions	2,971
Disposals	(6,539)
Balance as at 31 March 2018	13,114
Accumulated depreciation and amortisation	
Balance as at 31 March 2016	-
Depreciation charge	-
Reversal on disposal of assets	-
Balance as at 31 March 2017	-
Depreciation charge	-
Reversal on disposal of assets	-
Balance as at 31 March 2018	-
Net block	
Balance as at 31 March 2017	16,682
Balance as at 31 March 2018	13,117



2 Property Plant and Equipment

(Amount in Rs.)		
Gross block	Goodwill	Other Intangible Assets (Computer software)
Balance as at 31 March 2016	53,076	20,297
Additions	-	334
Disposals	-	-
Balance as at 31 March 2017	53,076	20,631
Additions	-	299
Disposals	-	-
Balance as at 31 March 2018	53,076	20,930
Accumulated depreciation and amortisation		
Balance as at 31 March 2016	-	3,477
Depreciation charge	-	3,537
Reversal on disposal of assets	-	-
Balance as at 31 March 2017	-	7,014
Depreciation charge	-	3,592
Reversal on disposal of assets	-	-
Balance as at 31 March 2018	-	10,606
Net block		
Balance as at 31 March 2017	53,076	13,617
Balance as at 31 March 2018	53,076	10,324



Note No.	Particulars	March 31, 2018	March 31, 2017
3	Financial Assets - Non Current		
(i)	Non Current Investments (Unquoted)		
(a)	Equity Instruments (at Fair Value)		
	2,500 Equity Shares of Rs.10/- each fully paid (March 31, 2017: 2,500) in The Saraswat Co-operative Bank Limited	566	543
(b)	Government Securities	1,631	1,221
Total		2,197	1,764
(ii)	Non Current Loans		
	Unsecured, Considered Good unless otherwise stated		
(a)	Security Deposits		
	Considered Good	82,055	73,601
	Considered Doubtful	5,947	6,247
	Less: Provision for Doubtful Advances	(5,947)	(6,247)
		82,055	73,601
(b)	Employee Loans		
	Considered Good		81
	Considered Doubtful	4,999	3,158
	Less: Provision for Doubtful Advances	(4,999)	(3,158)
			81
Total		82,055	73,682
(iii)	Other Non Current Financial Assets		
(a)	Non-current Deposits with Bank with maturity period more than 12 months	4,418	4,393
(b)	Non Trade Receivables	5,793	6,846
	Less: Provision for doubtful debts	(5,793)	(6,846)
Total		4,418	4,393
3(a)	Financial Assets - Current		
	Investments (Unquoted)		
	In Mutual Funds (at Fair Value)		
	- Birla Sunlife Cash Plus - Growth Plan	72,021	20,039
	- Super Institutional Plan - Growth Plan	7,732	20,021
	- Kotak Floater Short term - Growth Plan	7,043	20,036
	- TMONG Tata Money Market Plan	7,347	20,036
	- UTI-Liquid Cash Plan - Institutional - Growth	7,064	20,038
Total		100,170	-
4	Other Non Current Assets		
(i)	Capital Advances		
	Considered Good	5,359	1,294
	Considered Doubtful	3,500	3,500
	Less: Provision for Doubtful Advances	(3,500)	(3,500)
		5,359	1,294
(ii)	Advance Other than Capital Advance		
	Prepaid Expenses	19,168	18,837
Total		24,527	20,131
5	Inventories (Valued at lower of cost or Net Realisable Value)		
	Stock in Trade (at cost)	228,295	195,401
Total		228,295	195,401
	Financial Assets - Current		
6	Trade Receivables		
	Unsecured, Considered Good	78,539	35,631
Total		78,539	35,631



Natures Basket Limited
For the year ended 31 March 2018
Notes to the financials Statement

Note No.	Particulars	March 31, 2018	March 31, 2017
7	Cash And Cash Equivalents		
	(i) Balances With Banks in Current Accounts	65,882	194,816
	(ii) Cash on Hand	6,552	5,584
	Total	72,434	200,400
8	Other Bank Balances		
	Deposits with maturity more than 3 months but less than 12 months	353	63
	Total	353	63
9	Current Loans (Financial Assets stated at cost)		
	Unsecured, Considered Good unless otherwise stated		
	(a) Security Deposits	42,590	26,963
	(b) Employee Loans	1,360	240
	Total	43,950	27,203
10	Other Current Financial Assets		
	(a) Other Receivables	53,997	4,789
	(b) NSE Certificates Securities	832	501
	Total	54,829	5,290
11	Current Tax Assets (Net)		
	Advance Payment of Taxes (Net of provision for Tax)	9,898	8,721
	Total	9,898	8,721
12	Other Current Assets		
	Unsecured, Considered Good		
	Advances Other than Capital Advances		
	(a) Prepaid Expenses	12,685	11,524
	(b) Balances with Government Authorities	42,584	-
	(c) Advances to Vendors / Service Providers	25,635	37,561
	(d) Others	-	3
	Total	80,904	49,088
13	Non Current Assets Held for Sale		
		5,504	5,504
		5,504	5,504



Note No.	Particulars	March 31, 2018	March 31, 2017
14	Share Capital		
(i)	Authorised Share Capital		
(a)	400,000,000 (Previous Year 400,000,000) Equity Shares of Rs.10/- each	4,000,000	4,000,000
(ii)	Issued, Subscribed And Paid-up Share Capital		
(a)	369,230,000 (Previous Year 309,230,000) Equity Shares of Rs.10/- each fully paid up	3,692,300	3,092,300
	Total	3,692,300	3,092,300

(iii) Rights, Preferences and restrictions attached to shares

Equity Shares: The Company has one class of Equity shares having a par value of Rs.10 per share. Each Share holder is eligible for one vote per share held. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their share holding.

(iv) Reconciliation of Number of Equity Shares

	March 31, 2018		March 31, 2017	
	No. of Shares	Amount (In Thousand)	No. of Shares	Amount (In Thousand)
Balance as at the beginning of the year	309,230,000	3,092,300	225,230,000	2,252,300
Add: Shares Issued during the Year	60,000,000	600,000	84,000,000	840,000
Balance as at the end of the year	369,230,000	3,692,300	309,230,000	3,092,300

(v) Equity Shares Issued under Rights Issue

	March 31, 2018		March 31, 2017	
	No. of Shares	Amount (In Thousand)	No. of Shares	Amount (In Thousand)
Balance as at the beginning of the year	309,230,000	3,092,300	225,230,000	2,252,300
Add: Rights Shares Issued in the ratio 0.040 : 1			9,000,000	90,000
Add: Rights Shares Issued in the ratio 0.040 : 1			9,215,000	92,150
Add: Rights Shares Issued in the ratio 0.075 : 1			18,215,000	182,150
Add: Rights Shares Issued in the ratio 0.070 : 1			18,215,000	182,150
Add: Rights Shares Issued in the ratio 0.065 : 1			18,215,000	182,150
Add: Rights Shares Issued in the ratio 0.037 : 1			11,140,000	111,400
Add: Rights Shares Issued in the ratio 0.049 : 1	15,000,000	150,000		
Add: Rights Shares Issued in the ratio 0.046 : 1	15,000,000	150,000		
Add: Rights Shares Issued in the ratio 0.044 : 1	15,000,000	150,000		
Add: Rights Shares Issued in the ratio 0.042 : 1	15,000,000	150,000		
Balance as at the end of the year	369,230,000	3,692,300	309,230,000	3,092,300

(vi) Shareholding Information

	March 31, 2018	March 31, 2017
(a) Equity Shares held by Godrej Industries Ltd. - Holding Company (and its nominees)		
369,230,000 (Previous Year 309,230,000) Equity Shares of Rs.10/- each fully paid up	3,692,300	3,092,300
(b) Shareholders holding more than 5% of Equity Shares		
Godrej Industries Limited - the Holding Company	3,692,300	3,092,300
369,230,000 (Previous Year 309,230,000) Equity Shares of Rs.10/- each fully paid up	100%	100%

15 Other Equity

Retained Earnings

(Deficit) in Statement of Profit & Loss

Balance as per last Balance Sheet

Add: Profit/ (Loss) for the year

Total

	March 31, 2018	March 31, 2017
(Deficit) in Statement of Profit & Loss	(3,663,868)	(3,043,843)
Balance as per last Balance Sheet	(3,035,659)	(2,081,962)
Add: Profit/ (Loss) for the year	(522,373)	(933,697)
Total	(3,658,032)	(3,035,659)

Other Comprehensive Income

Balance as per last Balance Sheet

Add: changes for the year

Total

	March 31, 2018	March 31, 2017
Balance as per last Balance Sheet	(8,184)	(379)
Add: changes for the year	2,348	(7,805)
Total	(5,836)	(8,184)

Total

	March 31, 2018	March 31, 2017
Total	(3,663,868)	(3,043,843)

16 Financial Liabilities - Non-Current

(i) Non Current Borrowings

Term Loans

Secured

(a) Term Loan From a Bank

(b) Term Loan From a Financial Institution

	March 31, 2018	March 31, 2017
(a) Term Loan From a Bank	205,815	144,477
(b) Term Loan From a Financial Institution	49,922	118,845

Total

	March 31, 2018	March 31, 2017
Total	255,737	263,322

Note No.16.1 :

(a) Nature of Security

Term loan from AXIS Bank, YES Bank & Kotak Bank is secured by hypothecation of moveable plant and machinery, furniture, fixtures consisting of refrigeration and interior work, both present and future of funded stores.



(b) Terms of Repayment

	March 31, 2018		March 31, 2017	
	Non Current	Current	Non Current	Current
1 Loan from Axis Bank Carrying Interest rate ranging from 9.34% to 9.55% pa.				
(i) Monthly installment of Rs.750,000/- up to 30.07.2020.	11,250	9,000	20,250	9,000
(ii) Monthly installment of Rs.166,667/- up to 30.07.2020.	2,500	2,000	4,500	2,000
(iii) Monthly installment of Rs.583,333/- up to 30.07.2020.	8,750	7,000	15,750	7,000
(iv) Monthly installment of Rs.330,000/- up to 31.08.2020 and last installment of Rs.319,000/-	4,981	3,996	8,977	3,996
	27,481	21,996	49,477	21,996
2 Loan from YES Bank Carrying Interest @ 10.30% pa				
(i) Monthly installment of Rs.458,333/- commencing from 22.12.2017 up to 21.12.2022.	21,542	4,583	26,125	1,375
(ii) Monthly installment of Rs.375,000/- commencing from 22.12.2017 up to 21.12.2022.	17,625	3,750	21,375	1,125
(iii) Monthly installment of Rs.833,333/- commencing from 22.12.2017 up to 21.12.2022.	39,167	8,333	47,500	2,500
	78,334	16,666	95,000	5,000
3 Loan from Kotak Bank Carrying Interest rate ranging from 9.60% to 9.85% pa.				
(i) Quarterly installment of Rs.4,166,666/- commencing from 15.03.2020 up to 15.12.2022.	50,000	-	-	-
(ii) Quarterly installment of Rs.4,166,666/- commencing from 15.03.2020 up to 15.12.2022.	50,000	-	-	-
	100,000	-	-	-

Note No.16.2 :

(a) Nature of Security

Term loan from Tata Capital Financial Services Ltd. is secured by hypothecation of property, plant and equipment and Current Assets of the funded stores & head office.

(b) Terms of Repayment

	March 31, 2018		March 31, 2017	
	Non Current	Current	Non Current	Current
1. Loan from Tata Capital Financial Services Ltd. Carrying Interest @ 9.70% pa				
(i) Monthly installment of Rs.1,666,667/- up to 10.10.2018.	(0)	11,667	11,667	20,000
(ii) Monthly installment of Rs.832,710/- up to 10.10.2016.	-	-	-	-
(iii) Monthly installment of Rs.416,667/- up to 10.07.2019.	1,667	5,000	6,667	5,000
(iv) Monthly installment of Rs.583,333/- up to 10.11.2019.	4,667	7,000	11,667	7,000
(v) Monthly installment of Rs.833,333/- up to 10.01.2020.	8,333	10,000	18,333	10,000
(vi) Monthly installment of Rs.500,000/- up to 10.03.2020.	6,000	6,000	12,000	6,000
(vii) Monthly installment of Rs.641,667/- up to 10.03.2020.	7,700	7,700	15,400	7,700
(viii) Monthly installment of Rs.333,333/- up to 10.03.2020.	4,000	4,000	8,000	4,000
(ix) Monthly installment of Rs.333,333/- up to 10.03.2020.	4,000	4,000	8,000	4,000
(x) Monthly installment of Rs.500,000/- up to 10.03.2020.	6,000	6,000	12,000	6,000
(xi) Monthly installment of Rs.629,630/- up to 10.03.2020.	7,555	7,556	15,111	7,556
	49,922	68,923	118,845	77,256
	255,737	107,585	263,322	104,252



Natures Basket Limited
For the year ended 31 March 2018
Notes to the financials Statement

Note No.	Particulars	March 31, 2018	March 31, 2017
17 Non Current Provisions			
	Provision for Employee Benefits		4,365
	For Gratuity		4,113
	For Unavailed Leave	5,017	
Total		5,017	8,479
18 Current Borrowings			
	<u>Unsecured</u>		
	Unsecured Current Loan from Banks	200,000	100,000
	Overdraft facility from Banks	170,000	
Total		370,000	100,000
19 Trade Payables			
(a)	Total outstanding dues of micro enterprises and small enterprises		
(b)	Total outstanding dues of creditors other than micro enterprises & small enterprises	260,042	253,234
Total		260,042	253,234

Note No.19.1 :

Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with them and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to Rs. NIL (Previous Year: Rs. NIL).

	31-Mar-18	31-Mar-17
Dues remaining unpaid		
Principal	Nil	Nil
Interest	Nil	Nil
Interest paid in terms of Section 16 of MSMED Act	Nil	Nil
Amount of payments made to supplier beyond the appointed day	Nil	Nil
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year without adding interest specified under MSMED Act	Nil	Nil
Amount of interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	Nil	Nil

20 Other Financial Liabilities - Current

(a)	Current Maturities of Secured Non Current Debt	107,585	104,252
(b)	Interest Accrued but Not Due on Borrowings	4,384	3,408
(c)	Non Trade Payables	188,041	201,547
(d)	Security Deposit	384	384
Total		300,394	309,591
21 Other Current Liabilities			
(a)	Statutory Dues	8,645	21,937
(b)	Other Liabilities	1,828	1,964
Total		10,473	23,901

Note No.21.1 :

There is no amount due and outstanding to be credited to the Investor Education & Protection Fund, in respect of matured but unclaimed Fixed Deposits / Loans and any unclaimed interest.

22 Current Provisions

(a)	Provision for Employee Benefits		
	For Gratuity	2,148	5,320
	For Unavailed Leave	1,023	352
Total		3,171	5,672



Natures Basket Limited
For the year ended 31 March 2018
Notes to the financials Statement

Note No.	Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
23 Revenue From Operations			
(a) Sale of Products		2,889,199	3,030,282
(b) Other Operating Revenues			
(i) Seconds Sales			143
(ii) Others	5,469		5,245
		5,469	5,388
Total		2,894,668	3,035,670
24 Other Income			
(a) Interest Income			
(i) Fixed Deposits with a Bank	350		449
(ii) Interest unwinding on Financial Instruments	6,763		20,959
(iii) Others	15		34,143
		7,128	55,551
(b) Dividend Income			4
(c) Liabilities no longer required written back			2,795
(d) Promotional Income		9,746	3,467
(e) Other Non Operating Income		604	1,566
Total		17,486	63,383
25 Purchases of Stock in Trade		2,200,772	2,261,962
26 Changes in Inventories of Stock in Trade			
(a) Stock at the Commencement of the Period		195,401	242,989
(b) Less: Stock at the Close of the Period		228,295	195,401
Total		(32,894)	47,588
27 Employee Benefits Expense			
(a) Salaries, Wages and Bonus		300,991	262,520
(b) Contribution to Provident and Other Funds		19,449	11,702
(c) Staff Welfare Expenses		21,764	11,952
Total		342,204	286,174
28 Finance Costs			
(a) Interest Expense			
(i) Bank Loans		52,785	42,794
(ii) Inter Corporate Deposits			33,605
Total		52,785	76,399



Natures Basket Limited
For the year ended 31 March 2018
Notes to the financials Statement

Note No.	Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
29	Other Expenses		
(a)	Consumption of Packing Materials and Non-Trading Consumables	12,574	8,810
(b)	Rent	248,016	301,534
(c)	Prepaid Rent Amortisation of Financial Instruments	7,035	20,275
(d)	Repairs - Others	29,450	28,158
(e)	Insurance	3,692	8,397
(f)	Rates and Taxes	59,352	117,394
(g)	Provision for Doubtful Advances	487	6,909
(h)	Doubtful Advances written off	-	28
(i)	Labour Charges	99,450	124,622
(j)	Electricity Charges	91,268	108,704
(k)	Legal & Professional Fees	108,140	145,562
(l)	Auditor's Remuneration	1,600	1,406
(m)	Directors Sitting fees	923	1,410
(n)	Freight, Coolie and Cartage	25,466	42,933
(o)	Discount, Selling Expenses and Commission	5,619	4,291
(p)	Advertisement and Publicity	101,464	138,721
(q)	Loss on Sale / Write Off of property, plant and equipment	747	121,154
(r)	Bad Debts Written Off	6	-
(s)	Local Conveyance	6,155	7,812
(t)	Stationery & Printing	5,349	3,812
(u)	Telephone & Fax	3,610	4,393
(v)	Computer Expenses	10,597	7,291
(w)	License Fees	6,394	5,417
(x)	Office Expenses	8,648	10,090
(y)	Bank Charges	20,462	23,827
(z)	Private Label Expenses	950	5,346
(za)	Travelling Expenses	9,188	8,107
(zb)	Training/Conference Expenses	1,132	4,517
(zc)	Miscellaneous Expenses	21,317	18,750
Total		889,091	1,279,670

Note No.29.1 :

Auditor's Remuneration

(a) For Audit	1,600	1,406
Total	1,600	1,406

Note No.29.2 :

Loyalty Program

Opening Provision	3,500	3,478
Add: Additions	-	22
Less: Deletions	2,500	-
Closing Provision	1,000	3,500

30 Earnings Per Share

(a) Net Loss After Tax (Rs. in thousand)	(622,373)	(953,697)
(b) Number of Equity Shares Outstanding at the beginning of the year	309,230,000	225,230,000
(c) Number of Equity Shares Outstanding at the end of the year	369,230,000	309,230,000
(d) Weighted average number of equity shares outstanding during the year	331,503,973	262,210,658
(d) Weighted average number of Potential equity shares outstanding during the year	-	-
(d) Basic Earnings Per Share (Rs.)	(1.88)	(3.64)
(e) Diluted Earnings Per Share (Rs.)	(1.88)	(3.64)
(f) Nominal Value of Shares (Rs.)	10	10



Natures Basket Limited
For the year ended 31 March 2018
Notes to the financials Statement

Note No.	Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
(g)	Balance Sheet reconciliation		
	(i) Opening Net Liability	9,260	9,259
	(ii) Expenses recognised in Statement of Profit or Loss	4,306	1,477
	(iii) Expenses recognised in OCI	(2,153)	7,804
	(iv) Employer's Contribution	(9,264)	(2,019)
	Net Liability/ (Asset) recognised in the Balance Sheet	<u>2,149</u>	<u>16,521</u>
(h)	Category of Assets		
	(i) Insurance Fund	8,758	2,714
(i)	Other Details		
	(i) Number of Active Members	627	355
	(ii) Per month salary for Active Members	8,726	4,894
	(iii) Weighted Average Duration of the Projected Benefit Obligation	12	15
	(iv) Average Future Service (Years)	12	13
	(v) Projected Benefit Obligation	10,907	11,974
	(vi) Prescribed Contribution for next year (12 Months)	6,996	4,894
(j)	Net Interest Cost for Next Year		
	(i) Present value of obligation, as at the end of the year	10,906	11,974
	(ii) Fair value of plan assets as at the end of the year	(8,758)	(2,714)
	(iii) Net (Liability)/ Asset recognised as at the end of the year	<u>2,148</u>	<u>9,260</u>
	(iv) Interest Cost	859	870
	(v) Interest Income	(690)	(197)
	Net Interest cost for the next year	<u>169</u>	<u>673</u>
(k)	Expenses recognized in the Statement of Profit or loss for next year		
	(i) Current Service Cost	4,848	3,351
	(ii) Net Interest Cost	169	673
	(iii) (Expected contributions by the employees)		
	Expenses Recognized	<u>5,017</u>	<u>4,024</u>
(l)	Maturity Analysis of Projected benefit obligation: From the Fund		
	Projected Benefits payable in future years from the date of reporting		
	(i) 1st Following Year	1,373	2,866
	(ii) 2nd Following Year	356	346
	(iii) 3rd Following Year	530	385
	(iv) 4th Following Year	552	519
	(v) 5th Following Year	700	520
	(vi) Sum of Years 6 to 10	3,702	2,887
(m)	Sensitivity Analysis		
	(i) Projected Benefit Obligation on Current Assumptions	10,907	11,974
	(ii) Delta Effect of +1% Change in Rate of Discounting	(1,068)	(1,111)
	(iii) Delta Effect of -1% Change in Rate of Discounting	1,284	1,348
	(iv) Delta Effect of +1% Change in Rate of Salary Increase	1,197	1,056
	(v) Delta Effect of -1% Change in Rate of Salary Increase	(1,040)	(953)
	(vi) Delta Effect of +1% Change in Rate of Employee Turnover	(274)	(953)
	(vii) Delta Effect of -1% Change in Rate of Employee Turnover	303	(275)
(n)	Assumptions Used in Accounting for the Gratuity Plan of Past 5 Years		
		31.3.2018	31.03.2017
	(i) Discount Rate	7.88%	7.27%
	(ii) Salary escalation rate	9.50%	10%
	(iii) Expected rate of return on plan assets	7.88%	7.27%

Note:

- (a) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (b) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets.



Note No.	Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
----------	-------------	-----------------------------------	-----------------------------------

31 Employee Benefits

Defined Contribution Plans:

The Company's contributions paid/payable to Regional Provident Fund at certain locations, Super Annuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Company has recognised Rs. 12,189 Thousand for the year ended March 31, 2018 (Previous year: Rs. 8,302 Thousand) towards Provident Fund contribution.

Defined Benefit Plan:

The Company's gratuity and leave encashment/long-term compensated absences schemes are defined benefit plans. The Company's liability for the defined benefit schemes is actuarially determined based on the projected unit credit method. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement, resignation or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2018:

(a) Change in Present Value of Obligation			
(i)	Present value of obligation as at the beginning of the year	11,974	4,993
(ii)	Interest Cost	870	403
(iii)	Service Cost	3,351	1,316
(iv)	Past Service Cost	281	-
(v)	Benefits Paid	(3,738)	(2,301)
(vi)	Actuarial (gain)/loss on obligation	(1,832)	7,563
	Present value of obligation, as at the end of the year	10,906	11,974
(b) Change in Plan Assets			
(i)	Fair value of plan assets as at the beginning of the year	2,714	2,995
(ii)	Interest Income	197	242
(iii)	Contributions	9,264	2,019
(iv)	Benefits Paid	(3,738)	(2,301)
(v)	Return on Plan Assets excluding interest income	321	(241)
	Fair Value of plan assets, as at the end of the year	8,758	2,714
(c) Amount Recognised in the Balance Sheet			
(i)	Present value of obligation, as at the end of the year	(10,906)	(11,974)
(ii)	Fair value of plan assets as at the end of the year	8,758	2,714
(iii)	Funded Status (Surplus/ (Deficit))	(2,148)	(9,260)
	Net (Liability)/ Asset recognised in the Balance Sheet	(2,148)	(9,260)
(d) Net Interest Cost for Current Period			
(i)	Present value of obligation, as at the beginning of the year	(11,974)	(11,974)
(ii)	Fair value of plan assets as at the beginning of the year	2,714	2,715
(iii)	Net (Liability)/ Asset recognised as at the beginning	(9,260)	(9,259)
(iv)	Interest Cost	870	403
(v)	Interest Income	(197)	(242)
	Net Interest cost for the current year	673	161
(e) Expenses recognised in the Statement of Profit or Loss for Current Period			
(i)	Current Service Cost	3,351	1,316
(ii)	Interest Cost (net)	673	403
(iii)	Expected return on plan assets	282	(242)
	Expenses Recognized	4,306	1,477
(f) Expenses recognised in the Other Comprehensive Income (OCI) for Current Period			
(i)	Actuarial (Gains)/ Losses on Obligation for the period	(1,832)	7,563
(ii)	Return on Plan Assets, excluding interest income	(321)	241
(iii)	Change in Asset Ceiling	-	-
	Net (Income)/ Expense for the period recognized in OCI	(2,153)	7,804





Natures Basket Limited
For the Year Ended March 31, 2018
Notes forming part of the Financial Statements

37 Financial instruments – Fair values and risk management

i. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount			Fair value				Rs. in Thousand
March 31, 2018	Note	At Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total	
Financial assets									
1 Non Current Financial Assets									
(a) Non-current investments*		566	1,631	2,197		566		566	
(b) Non-current loans			82,055	82,055					
(c) Other Non-current financial asset			4,418	4,418					
2 Current Financial Assets									
(a) Trade and other receivables			78,539	78,539					
(b) Cash and cash equivalents			72,434	72,434					
(c) Bank balance other than above			353	353					
(d) Current loans			43,948	43,950					
(e) Other current financial assets			54,829	54,829					
(f) Current investment		100,170	-	100,170	100,170	-	-	-	
		100,170	336,876	436,748	100,170	566	-	566	
Financial liabilities									
1 Non Current Financial Liabilities									
(a) Non-current borrowings			255,738	255,737					
2 Current Financial Liabilities									
(a) Current borrowings			370,000	370,000					
(b) Trade and other payables			260,042	260,042					
(c) Other financial liabilities			300,394	300,394					
			1,186,174	1,186,173					

		Carrying amount			Fair value				Rs. in Thousand
March 31, 2017	Note	At Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total	
Financial assets									
1 Non-current Financial Assets									
(a) Non-current investments*		543	1,221	1,764		543		543	
(b) Non-current loans and advances			73,682	73,682					
(c) Other non-current financial assets			4,393	4,393					
2 Current Financial Assets									
(a) Trade and other receivables			35,631	35,631					
(b) Cash and cash equivalents			200,400	200,400					
(c) Bank balance other than above			63	63					
(d) Current loans and advances			27,203	27,203					
(e) Other current financial assets			5,290	5,290					
		543	347,883	348,426		543		543	
Financial liabilities									
1 Non Current Financial Liabilities									
(a) Non-current borrowings			263,322	263,322					
2 Current Financial Liabilities									
(a) Current borrowings			100,000	100,000					
(b) Trade and other payables			253,234	253,234					
(c) Other financial liabilities			309,591	309,591					
			926,147	926,147					

* The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at net book value as per the latest audited financial statements available.

Natures Basket Limited
For the Year Ended March 31, 2018
Notes forming part of the Financial Statements

ii. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- * Credit risk;
- * Liquidity risk;
- * Market risk;

Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The management is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.



Natures Basket Limited
For the Year Ended March 31, 2018
Notes forming part of the Financial Statements

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company monitors the outstanding balances at periodic intervals and accordingly makes specific provisions against such trade receivables and loans & advances wherever required. Significant portion of the company's sales are on cash basis and credit sales being low, the risk from bad debts is also low.

The maximum exposure to credit risk for trade receivables are as follows:

Carrying amount	Rs. In Thousand	
	March 31, 2018	March 31, 2017
Current Financial Assets		
Trade Receivables	78,539	35,631

The ageing of trade and other receivables is as follows

	Rs. in Thousand	
	March 31, 2018	March 31, 2017
Past due 1-30 days	32,469	18,059
Past due 31-90 days	33,692	7,497
Past due 91-180 days	7,540	2,107
> 180 days	4,839	7,968
Total	78,539	35,631



Natures Basket Limited
For the Year Ended March 31, 2018
Notes forming part of the Financial Statements

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The company meets its obligation through Non-current loans and current borrowings from banks/ financial institutions and equity infusion from shareholders

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

		Rs. In Thousand					
March 31, 2018	Carrying amount	Contractual cash flows					
		Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non current financial liabilities	255,737	255,737	-	-	103,585	152,152	-
Non-current Loans from Banks & NBFC's	255,737	255,737	-	-	103,585	152,152	-
Current financial liabilities	930,436	930,436	882,477	47,959	-	-	-
Trade Payables	260,042	260,042	260,042	-	-	-	-
Current Borrowings	370,000	370,000	370,000	-	-	-	-
Others	300,394	300,394	252,435	47,959	-	-	-
Total	1,186,173	1,186,173	882,477	47,959	103,585	152,152	-

		Rs. In Thousand					
March 31, 2017	Carrying amount	Contractual cash flows					
		Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non current financial liabilities	263,321	263,321	-	-	110,918	137,403	15,000
Term Loans from Banks & NBFC's	263,321	263,321	-	-	110,918	137,403	15,000
Current, non derivative financial liabilities	672,510	672,510	617,884	54,626	-	-	-
Trade Payables	253,234	253,234	253,234	-	-	-	-
Unsecured Short Term Loans from Banks	100,000	100,000	100,000	-	-	-	-
Others	319,276	319,276	264,650	54,626	-	-	-
Total	935,831	935,831	617,884	54,626	110,918	137,403	15,000

Guarantees issued by the Company:

Guarantees issued by the Company are in favour of the Government Authorities. These amounts will be payable on default by the Company. As of the reporting date, there have been no defaults and hence, the Company does not have any present obligation to third parties in relation to such guarantees.



Natures Basket Limited
For the Year Ended March 31, 2018
Notes forming part of the Financial Statements

iv. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	March 31, 2018	Rs. in Thousand March 31, 2017
Floating-rate instruments		
Financial assets		
Non Current Loans and Advances		
Security deposits	82,055	73,601
Loans & Advances to Employees		81
Other non-current financial assets		
Deposits with Bank with maturity period more than 12 months	4,418	4,393
Deposits with maturity more than 3 months but less than 12 months	353	63
Current loans and advances and Other current financial assets		
Security deposits	42,590	26,963
Inter Corporate Deposits		
Interest Accrued but not due on Inter Corporate Deposits		
Loans & Advances to Employees	1,360	240
Total	130,776	105,341
Financial liabilities		
Non-current Borrowings		
Loans from Bank & Financial Institutions	255,737	263,322
Current borrowings		
Unsecured Current Loan from Banks	200,000	100,000
Overdraft facility from Banks	170,000	
Inter Corporate Deposits		
Other Current Financial Liabilities		
Current Maturities of Secured Non-current Debt	107,585	104,252
Interest accrued but not due on borrowings	4,384	3,408
Total	737,706	470,982

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

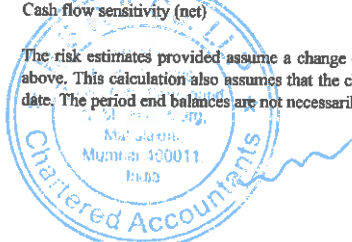
Fair value sensitivity analysis for floating-rate instruments

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remaining constant.

	Rs. in Thousand Impact on Profit or loss			
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
March 31, 2018				
Non-current Loans from Banks & Financial Institutions	(3,633)	3,633	(3,633)	3,633
Current Loans from Banks	(2,000)	2,000	(2,000)	2,000
Cash flow sensitivity (net)	(5,633)	5,633	(5,633)	5,633
March 31, 2017				
Non-current Loans from Banks & Financial Institutions	(3,676)	3,676	(3,676)	3,676
Current Loans from Banks	(1,000)	1,000	(1,000)	1,000
Cash flow sensitivity (net)	(4,676)	4,676	(4,676)	4,676

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.



Natures Basket Limited
For the Year Ended March 31, 2018
Notes forming part of the Financial Statements

38 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The Company maintains a balance between equity and debt based on its requirements. Non-current and current debt is used for capex and working capital requirements. Capital is used to fund the losses.

The Company also monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

	Rs. in Thousand	
	As at March 31, 2018	As at March 31, 2017
Non-Current Borrowings	255,737	263,322
Current Borrowings	370,000	100,000
Current maturity of Non-current debt	107,585	104,252
Less : Cash and cash equivalent	72,434	200,400
Adjusted net debt	660,888	267,174
Adjusted equity	28,432	48,457
Adjusted net debt to adjusted equity ratio	23	6



39 Related Party Transactions

Related Party disclosures as required by Ind AS - 24, "Related Party Disclosures", are given below:

(a) Relationships:

(i) Holding Company

- 1 Vora Soaps Limited (Ultimate Holding Company w.e.f. March 30, 2017)
- 2 Godrej & Boyce Mfg. Co. Ltd., (Ultimate Holding Company up to March 29, 2017)
- 3 Godrej Industries Ltd., the Holding Company

(ii) Fellow Subsidiaries

- A. Subsidiaries of Godrej Industries Ltd.:
 - 1 Godrej Agrovet Ltd. (GAVL)
 - 2 Godrej Properties Ltd. (GPL)
 - 3 Ensemble Holdings & Finance Ltd.
 - 4 Godrej International Ltd. (incorporated in the Isle of Man)
 - 5 Godrej International Trading & Investments Pte Ltd. (Incorporated in Singapore)
 - 6 Godrej International Ltd. (a subsidiary incorporated in Labuan, Malaysia)
- B. Subsidiaries of Godrej & Boyce Mfg. Co Ltd (G&B) (with G&B's direct equity holdings in excess of 50%):
 - 1 Godrej Industries Ltd.
 - 2 Godrej Infotech Ltd.
 - 3 Godrej (Malaysia) Sdn. Bhd. (incorporated in Malaysia)
 - 4 Godrej (Singapore) Pte. Ltd. (incorporated in Singapore)
 - 5 Veromatic International BV (incorporated in the Netherlands)
 - 6 Busbar Systems (India) Ltd
 - 7 Mercury Mfg. Co. Ltd. (a subsidiary)
 - 8 East View Estates Pvt. Ltd. (a wholly-owned subsidiary)
 - 9 First Rock Infrastructure Pvt. Ltd. (a wholly-owned subsidiary)
 - 10 Miracletouch Developers Pvt. Ltd. (a wholly-owned subsidiary)
 - 11 Godrej Americas Inc. (a wholly-owned subsidiary incorporated in the USA)

(iii) Key Management Personnel

- 1 Ms. Avani Davda - Managing Director
- 2 Mr. Sumit Zaveri - Chief Financial Officer
- 3 Mr. Mohit Khatter- Managing Director (Till May 5, 2016)
- 4 Mr. Shekhar Iyer - Chief Financial Officer (Till March 3, 2017)

(iv) Relatives of Managing Director

- Ms. Avani Davda - Managing Director
- 1 Mr. Vishal Jagjivan Davda
 - 2 Mr. Ramesh Mohanlal Saglani
 - 3 Ms. Kusum Ramesh Saglani
 - 4 Mr. Param Vishal Davda

(v) Individuals Exercising Control or Significant Influence (and their relatives)

- Ms. Tanya Dubash
- 1 Mr. Arvind Darab Dubash
 - 2 Mr. Adi Burjor Godrej
 - 3 Mr. Aryaan Arvind Dubash
 - 4 Mr. Azaar Arvind Dubash
 - 5 Mr. Pirojsha Adi Godrej
 - 6 Mr. Nisaba Adi Godrej

(vi) Non Executive Directors

- 1 Mr. Sandeep Murthy
- 2 Mr. Sandeep Kumar Barasia

(vii) Associate of a member of a Group Company

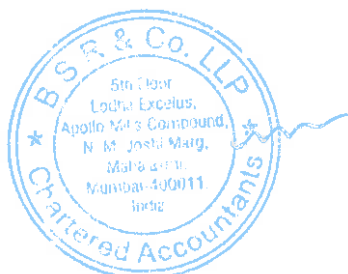
- 1 Godrej One Premises Management Pvt Ltd

(viii) Subsidiary of a member of a Group Company

- 1 Godvet Agrochem limited
- 2 Creamline Dairy Products Limited
- 3 Astec Lifesciences Limited

(ix) Firm in which director or Manager or his relative has control or exercises significant influence

Anamudi Real Estates LLP (Ms. Tanya Dubash - Designated Partner)



(b) B. The following transactions were carried out with the related parties in the ordinary course of business :

Details relating to parties referred to in items (i) to (ix) above		Rs. in Thousand		
Nature of Transactions	Holding	Fellow	Other Related	
	Company	Subsidiaries	Parties	
	(i)	(ii)	(iii) (iv) (v) (vi) (vii)(viii) & (ix)	
(i) Issue of share capital	600,000 840,000			
(ii) Intercompany deposits Taken during the year		-	500,000	
(iii) Intercompany deposits repaid during the year		52,000	500,000	
(iv) Interest expense on intercompany deposits taken		698	32,882	
(v) Intercompany deposits given during the year		-	770,000	
(vi) Intercompany deposits received back during the year		-	822,000	
(vii) Interest Income on intercompany deposits given		-	33,925	
(viii) Expenses/ Reimbursement charged by other companies	30,017 37,332	2,139	9,916 9,999	
(ix) Sale of Traded Goods		772 1,710		
(x) Outstanding receivables, net of (payables)	(1,729) 339	131 151	(1,954) -	
(xi) Remuneration			25,591 23,804	
(xii) Directors Sitting Fees			1,298 1,437	



(c) C. Significant Related Party Transactions :

Rs. in Thousand						
Nature of Transactions	Holding Company	Amount	Fellow Subsidiaries	Amount	Other Related Parties	Amount
	(i)		(ii)		(iii) (iv) (v) (vi) (vii)(viii) & (ix)	
(i) Issue of share capital	Godrej Industries Ltd	600,000 840,000				
(ii) Intercompany deposits Taken during the year					Creamline Dairy Pvt. Ltd	- 500,000
(iii) Intercompany deposits repaid during the year			Godrej Agrovet Ltd.	- 52,000	Creamline Dairy Pvt. Ltd	- 500,000
(iv) Interest expense on intercompany deposits taken			Godrej Agrovet Ltd.	- 698	Creamline Dairy Pvt. Ltd	- 32,882
(v) Intercompany deposits given during the year					Astec Lifesciences Ltd.	- 270,000
					Godvet Agrochem Ltd.	- 500,000
(vi) Intercompany deposits received back during the year					Astec Lifesciences Ltd.	- 270,000
					Godvet Agrochem Ltd.	- 500,000
					Anamudi Real Estate LLP	0 52,000
(vii) Interest Income on intercompany deposits given					Anamudi Real Estates LLP	- 705
					Astec Lifesciences Ltd.	- 12,386
					Godvet Agrochem Ltd.	- 20,834
(viii) Outstanding Intercompany deposits taken			Godrej Agrovet Ltd.			
(ix) Outstanding Intercompany deposits Given					Anamudi Real Estates LLP	- -
(x) Security Deposit Paid towards lease rent	Godrej Industries Ltd.	-				
(xi) Security Deposit Receivable	Godrej Industries Ltd.	600 600				



Nature of Transactions		Holding Company	Amount	Fellow Subsidiaries	Amount	Other Related Parties	Amount
		(i)		(ii)		(iii) (iv) (v) (vi) (vii) (viii) & (ix)	
(xii)	Expenses charged by other companies	Godrej Industries Ltd.	30,017			Godrej One Premises	9,916
			37,029				9999
		Godrej & Boyce Mfg. Co. Ltd.	-				
			303				
(xvi)	Sale of Traded Goods			Godrej Properties Ltd	772		
					1,710		
(xvii)	Outstanding receivables, net of (payables)	Godrej Industries Ltd.	(1,729)				
			381				
		Godrej & Boyce Mfg. Co. Ltd.	-	Godrej Properties Ltd	131	Godrej One Premises	(1,954)
			(42)		151		-
(xviii)	Remuneration					Avani Davda	15,781
							12,352
						Mr.Mohit Khattar	-
							762
						Mr.Sumit Zaveri	9,218
							3,085
						Mr.Shekhar Iyer	-
							6,711
(xix)	Directors Sitting Fees					Sandeep Barasia	542
							560
						Sandeep Murthy	756
							877

Note No.39.1 :

Figures for the previous year are in the second line in Italics.

40 Previous year figures have been audited by a firm of Chartered Accountants other than B S R & Co. LLP.

As per our Report of even date

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

VIJAY MATHUR
Partner
Membership Number: 046476
Place: Mumbai
Dated: May 10, 2018

For and on behalf of the Board of Natures Basket Limited
CIN: U15310MH2008PLC182816

AVANI V. DAVDA
Managing Director
DIN: 07504739

SUMIT ZAVERI
Chief Financial Officer
Membership No. 104045

TANYA A. DUBASH
Chairperson
DIN: 00026028

NIKITA SHAH
Company Secretary
ACS 52473

Annexure – D

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014.

A. Conservation of Energy

These provisions are Not Applicable the Company during the year under review.

B. Technology Absorption, adaptation and innovation

These provisions are Not Applicable the Company during the year under review.

C. Foreign Exchange earnings and outgo:

	FY 17-18	FY 16-17
	Rs. in Thousand	Rs. in Thousand
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange outgo	131	2,445

For and on behalf of the Board of Directors



Tanya A. Dubash
Chairperson
DIN - 00026028



Avani V. Davda
Managing Director
DIN -07504739

Mumbai; May 10, 2018