

Boards' Report for the financial year ended 31 March 2015

The Directors take pleasure in presenting the 7th Annual Report together with the Audited financial Statements for the year ended 31 March 2015.

1. Financial Results and Performance

Rs.in Lacs.

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Total Income	20,945.37	17435.73
Loss before taxation	(4,262.10)	(3132.36)
Loss after taxation	(4,261.90)	(3132.36)
Adjustment for depreciation as per Revised Schedule - II	(94.55)	-
Balance brought forward from previous year	(10,205.30)	(7072.94)
Balance carried forward to Balance sheet	(14,561.75)	(10205.30)

2. Dividend

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

3. Review Of Operations And Future Outlook

Nature's Basket continued on its growth path, much above industry standards. The sales turnover for NBL in FY2014-15 was 210 crores, delivering a growth of 20% YOY and achieving an industry benchmark gross margin of 24.8%.

With a strategy of consolidating and leveraging right catchments, Powai and GKII stores were expanded to offer wider assortment and range of services to customers. 2 stores in Delhi were closed and 2 new stores were opened in Bengaluru, maintaining the total store count at 33. This was the year of consolidation where various processes were streamlined. Multiple initiatives were taken to reduce inventory levels and this resulted in improved margin performance.

Despite the slowdown of imported products inflow, due to FSSAI regulation barriers in first 2 quarters of the fiscal year, NBL has been laser focussed to ensure steady sales growth. The in-store consumer experience and brand imagery was maintained at highest levels to ensure that business continues to be seen aspirational and connects instantly with discerning consumers. Much of the growth and margin can be attributed to the increase in sales in our gifting and private label business.

Our private label brands, L'Exclusif and Healthy Alternatives, continued to be growth drivers with sales growing nearly 6 times over previous year and the further introduction of 150+ distinctive SKUs in 2014-15 taking the total range to 306 SKUs. We have expanded our range significantly and it is increasing in popularity. Sales from this segment contributed to nearly 6%

of our overall sales. Private label will continue to be a key driver of growth in sales and margin.

With greater focus on strengthening distinctive, appealing yet personalised gifting portfolio, gifting sales grew at 65% and achieved a salience of 6.4% of overall sales. The gifting line won the institutional business from several reputed organisations in Banking, Finance, Insurance, Travel and Media industry. The gifting business is geared up to continue at a healthy growth of 30% plus and to increase contribution to nearly 7% of the overall business revenue.

The online sales crossed 1.4 crores in the FY 2014-15, delivering a 234% YOY growth. NBL has revamped the web portal with a best in class user experience and strengthened backend ecommerce functionality. With the integration of robust technology platform and experts of ekstop.com with our existing online business, E-commerce business is poised to growth exponentially in 2015-16. By building a world class e-commerce platform and on ground infrastructure, Natures basket has taken a strategic step towards significantly enhancing Omni-channel experience and redefining the standards of online shopping.

The loyalty program base was further increased to cross 3lacs customers and contributed 57% of the sales.

NBL continued to be the most awarded gourmet business brand winning several awards in forums like India Retail Forum, Asia Retail Congress Awards, Asia Retail Congress Awards, and CMO Asia Congress many of which have been received for the 3rd year in a row.

4. 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

There are no significant material changes and commitments between the end of financial year to the date on which the financial statement has been made.

5. 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

6. 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.

7. 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.

8. Particulars Of Loans, Guarantees Or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

9. 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.

10. 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.

11. Directors

Mr. Arumugam Mahendran and Mr. Sandeep Barasia were appointed as Independent Directors of the Company, under the Companies Act, 2013 for a period of 5 years at the Extra Ordinary General Meeting of the members of the Company on 16 March, 2015.

All Independent Directors have given declarations that they meet criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013. In the forthcoming Annual General Meeting, Mr. Mohit Khattar will retire by rotation and being eligible has offered himself for reappointment.

12. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance Evaluation of its own performance, the Directors Individually as well as the valuation of the working of its Audit and Nomination & Remuneration Committees.

13. Remuneration Policy

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, senior management and their Remuneration.

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 customise 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.

14. Number of Board Meetings conducted during the year under Review

The Company had 12 Board meetings during the financial year under review.

15. 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, 2015, 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, 2015 and of the profit 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.

16. Subsidiaries, Joint Ventures And Associate Companies

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

17. Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

18. 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. Arumugam Mahendran, Member
- c. Mr. Sandeep Barasia, Member

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

19. Vigil Mechanism

Your Company has adopted a Vigil Mechanism Policy. 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.

20. Auditors

Statutory Auditors

The Company's Auditors M/s Kalyaniwalla & Mistry, Chartered Accountants, Mumbai who retire at the ensuing Annual General Meeting of the Company are eligible for re-appointment In accordance with Section 139 of the Companies Act, 2013 and rules made thereunder, M/s, Kalyaniwalla & Mistry, Chartered Accountants, Mumbai, have been appointed as statutory auditors to hold office from the conclusion of this 6th Annual General Meeting till the conclusion of the 9th Annual General Meeting to be held in 2017 (subject to ratification of reappointment by the members at every AGM held after this AGM) of the Company, on a remuneration as may be agreed upon by the Board of Directors and the Auditors.

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"

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

22. Share Capital

During the period under review, the Company obtained shareholders' approval at the Extra Ordinary General Meeting held on 28 March, 2014 to increase the Authorized Share Capital of the Company to Rs. 155,00,00,000/- (Rupees One Hundred and Fifty Five Crore only) divided into 15,50,00,000 (Fifteen Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each. Consequently at the Extraordinary General Meeting held on 12 March, 2015 the Authorised share capital was increased to Rs. 1,650,000,000/- (Rupees One Hundred and Sixty Five Crore only) divided into 165,000,000 (Sixteen Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each. Thereafter at the Extraordinary General Meeting held on 12 March, 2015. Your Company allotted 54110000 (Five Crore Forty One Lakh and Ten Thousand) Equity Shares to the entities forming part of Promoter group during the financial year.

23. Rights Issue

Your Company had vide Offer Letter dated 20 May 2014, issued 1, 22,20,000 Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0.1151961, 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 24 June 2014, issued 8280000 Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0.0699915 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 15 September 2014, issued 8280000 Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0.0654132 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 12 December 2014, issued 1,62,80,000 Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0.1207178 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 25 March 2015, issued 9,050,000 Equity Shares of Face Value of Rs. 10/- each to the equity shareholders on a rights basis in the ratio of 0. 0598783 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.

24. 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.

25. 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.

26. Acknowledgements

Your Directors thank the various Central and State Govt. 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 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.

27. Additional Information

"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 qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.

"Annexure D" to this Report contains the Information as per Section 197 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees' remuneration.

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



Mohit Khattar
Managing Director
02673201



A. Mahendran
Director
00242423

Place: Mumbai
Date: 08th May 2015

**Annexure – A
Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March 2015**

[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: 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.	N/A	N/A	N/A
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

e) Venture capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign venture capital funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0		0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0		
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholding nominal share capital upto Rs 1 lakh	0	0	0	0	0	0	0		0
ii) Individual shareholders 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	106080000	106080000	100	0	160190000	160190000	100	33.78

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during 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	
1	Godrej Industries limited	106080000	100	N/A	160190000	100	N/A	33.78
	Total	106080000	100	N/A	160190000	100	N/A	33.78

(iii) 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	106080000	100	160190000	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 9 June 2014, 1, 22,20,000 Equity Shares on Rights basis @Rs. 10 each	100	118300000	100
		b. Allotted on 14 July 2014, 8,280,000 Equity Shares on Rights basis @Rs. 10 each	100	126580000	100
		c. Allotted 6 October 2014, 8,280,000 Equity Shares on Rights basis @Rs. 10 each	100	134860000	100

		d. Allotted on 5 January 2015, 1,62,80,000 Equity Shares on Rights basis @Rs. 10 each	100	151140000	100
		e. Allotted on 31 March 2015, 9,050,000 Equity Shares on Rights basis @Rs. 10 each	100	160190000	100
3.	At the End of the year			160190000	100

(iv) 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 Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	For Each of the Top 10 Shareholders				
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): At the End of	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

(v) Shareholding of Directors and Key Managerial Personnel:

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.	For Each of the Directors and KMP				
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	405,280,667	52,000,000	0	457,280,667
ii) Interest due but not paid	1,456,660	0	0	10,67,905
iii) Interest accrued but not due	68,567	5,654,313	0	7,782,364
Total (i+ii+iii)	406,805,894	57,654,313	0	498,805,088
Change in Indebtedness during the financial year				
• Addition	108,500,000	0	0	108,500,000
• Reduction	75,825,850	0	0	75,825,850
Net Change	32,809,150	0	0	32,809,150
Indebtedness at the end of the financial year	437,954,819	52,000,000	0	489,954,819
i) Principal Amount				
ii) Interest due but not paid	10,67,905	0	0	10,67,905
iii) Interest accrued but not due	1,925,466	5,856,898	0	7,782,364
Total (i+ii+iii)	440,948,190	57,856,898	0	498,805,088

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No.	Particulars of Remuneration	<u>Name of MD/WTD-</u> Mohit Khattar	Total Amount
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,14,09,874	1,14,09,874
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Incometax Act, 1961	Nil	Nil
	Stock Option	24,81,144	24,81,144
	Sweat Equity	Nil	Nil
	Commission - as % of profit - others, specify...	Nil	Nil
	Others, please specify	Nil	Nil
	Total (A)	1,38,91,018	1,38,91,018
	Ceiling as per the Act	In compliance with the Companies Act 1956	Nil

B. Remuneration to other directors:

Sl.No.	Particulars of Remuneration	<u>Name of Directors-</u> Sandeep Kumar Barasiya	Total Amount
	3. Independent Directors		
	• Fee for attending board committee meetings	100000	100000
	• Commission	Nil	Nil
	• Others, please specify	Nil	Nil
	Total (1)	100000	100000
	4. Other Non-Executive Directors		
	• Fee for attending board committee meetings	NIL	NIL
	• Commission		
	• Others, please specify		
	Total(2)	Nil	Nil
	Total (B) = (1+2)	100000	100000
	Total Managerial Remuneration	Nil	NIL
	Overall Ceiling as per the Act	In compliance with the Companies Act 1956	Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl.No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		CEO	Company Secretary	CFO	Total	
		Company Secretary - Sushma Shukla CFO - Shekhar Iyer				
	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	3,68,788	52,24,703	55,93,491	55,93,491
	(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
	Stock Option	Nil	Nil	Nil	Nil	Nil
	Sweat Equity	Nil	Nil	Nil	Nil	Nil
	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total	Nil	3,68,788	52,24,703	55,93,491	55,93,491

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Breif Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N/A	N/A	N/A	N/A	N/A
Punishment	N/A	N/A	N/A	N/A	N/A
Compounding	N/A	N/A	N/A	N/A	N/A
B. DIRECTORS					
Penalty	N/A	N/A	N/A	N/A	N/A
Punishment	N/A	N/A	N/A	N/A	N/A
Compounding	N/A	N/A	N/A	N/A	N/A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N/A	N/A	N/A	N/A	N/A
Punishment	N/A	N/A	N/A	N/A	N/A
Compounding	N/A	N/A	N/A	N/A	N/A

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

[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

Mumbai

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to the good corporate practices by **Natures Basket Limited** (hereinafter 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 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, 2015 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 the Company for the Financial Year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (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 not 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; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The other Laws applicable specifically to the company is Annexed with this Report as **ANNEXURE- II**

It seems that the Company is not listed on any Stock Exchange in India, therefore only clause (i) and (iv) 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.

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

Adequate notices are given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exist 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 commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.



Place: Mumbai
Date:29/04/2015
FCS NO.:6579
C.P.No.:6625



For Aabid & Co
Aabid
(Mohammad Aabid)
Partner

ANNEXURE – I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2014.
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. Statutory Registers viz
 - Register of Directors & KMP
 - Register of Members
 - Register of Charges
 - Register of Contract
 - Register of Loans and Investments



ANNEXURE – II

List of applicable laws to the Company

List of applicable laws to the company and its Branches situated at :

Registered office :

Pirojshanagar Eastern Express Highway, Vikhroli (East) Mumbai-400079, Maharashtra.

Corporate office :

Godrej Sara Lee Building, Pirojshahnagar, Gate No. 2, Eastern Express Highway, Vikhroli (E),
Mumbai - 400079

Under the Major Group and Head :

1. The Apprentices Act, 1961.
2. The Maharashtra Labour Welfare Fund Act, 1953.
3. The Contract Labour (Regulation & Abolition) Act, 1970.
4. The Payment of Bonus Act, 1975.
5. The Equal Remuneration Act, 1976.
6. The Maternity Benefit Act, 1961.
7. The Payment of Gratuity Act, 1972.
8. The Maharashtra Shops & Establishment Act, 1972.
9. The Payment of Wages Act, 1936.
10. The Minimum Wages Act, 1948.
11. The Employment Exchange Act, 1959.
12. The Employee's State Insurance Act, 1948.
13. Employee's Compensation Act, 1923.



14. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.
15. The Maharashtra Private Security Guards [Regulation of Employment and Welfare] Act, 1981.
16. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
17. The Maharashtra Mathadi, Hamal And other Manual Workers (Regulation of Employment And Welfare) Act, 1969.
18. The Employees Provident Funds and Miscellaneous Provisions Act, 1952.



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

The Company has not spent on conservation of energy during the year under review, as the Company is into retail business.

B. Technology Absorption, adaptation and innovation

The Company has not spent on Technology Absorption, adaptation and innovation, during the year under review, as the Company is into retail business.

C. Foreign Exchange earnings and outgo:

	FY 14-15	FY 13-14
	Rs. in Thou.	Rs. in Thou.
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange outgo	142.52	354.75

For and on behalf of the Board of Directors

Place: Mumbai
Date: 08th May 2015


Mohit Khattar
Managing Director
02673201


A. Mahendran
Director
00242423

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATURES BASKET LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **NATURES BASKET LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 financial statements are free from material misstatement.

**KALYANIWALLA
& MISTRY**

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 32 to the financial statements, wherein the financial statements have been prepared on a going concern basis notwithstanding substantial erosion in net worth in view of further infusion of the additional funds from its promoters/shareholders.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have 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.

**KALYANIWALLA
& MISTRY**

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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 does not have any pending litigation on its financial position in its financial statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W**



**ERMIN K. IRANI
PARTNER**

Membership No. 35646

Place: Mumbai

Dated: **8 MAY 2015**

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date on the financial statements of the Company for the year ended March 31, 2015:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets purchased after April 01, 2009. *In respect of fixed assets acquired/purchased prior to April 01, 2009, the register is not complete in respect of particulars such as quantitative details and situation of fixed assets.*
 - (b) The Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification for assets purchased after April 01, 2009 are not material and have been properly dealt with in the books of account. *For assets acquired/purchased prior to April 01, 2009, in the absence of proper details of assets the Company is unable to conduct a physical verification in order to ascertain if there are material discrepancies in respect of such assets.*
- 2) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies were noticed on verification between the physical stocks and the book records were not material in relation to the operation of the Company and the same have been properly dealt with in the books of accounts.
- 3) The Company has granted an unsecured loan to a firm covered in the register maintained under section 189 of the Act. There is no fixed term of repayment of principle and interest; hence the question of regular receipt of principle and interest or any overdue amount does not arise.

**KALYANIWALLA
& MISTRY**

- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- 5) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, with regard to deposits accepted from the public are not applicable.
- 6) In our opinion and according to information and explanations given to us, the maintenance of cost records under sub-section (1) of Section 148 of the Act, is not applicable to the Company under Companies (Cost Record and Audit) Rules, 2014.
- 7) (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at March 31, 2015 for a period of more than six months from the date on which they became payable.

(b) According to information and explanation given to us , there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added tax or cess which have not been deposited on account of any disputes.
- 8) *The Company has accumulated losses of more than fifty percent of its net worth. The Company has incurred cash loss during the current financial year and the immediately preceding financial year.*
- 9) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks or financial institution. The Company does not have dues to debenture holders.
- 10) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and other financial institutions.

**KALYANIWALLA
& MISTRY**

- 11) According to the information and explanations given to us and based on the documents and records examined by us, on an overall basis, the term loan has been applied for the purpose for which the loans were obtained.
- 12) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W**



**ERMIN K. IRANI
PARTNER**

Membership No. 35646

Place: Mumbai

Dated: **8 MAY 2015**


NATURES BASKET LIMITED
Balance Sheet As At March 31, 2015

Rs. in Thousand

Particulars	Note No.	Current Year	Previous Year
I. Equity And Liabilities			
(1) Shareholders' Funds			
(a) Share Capital	2	1,601,900	1,060,800
(b) Reserves And Surplus	3	(1,456,175)	(1,020,530)
Total Shareholders' Funds		145,725	40,270
(2) Non Current Liabilities			
(a) Long Term Borrowings	4	343,689	367,313
(b) Long Term Provisions	5	1,087	1,032
Total Non Current Liabilities		344,776	368,345
(3) Current Liabilities			
(a) Short Term Borrowings	6	52,000	52,000
(b) Trade Payables	7	295,692	270,948
(c) Other Current Liabilities	8	194,699	146,496
(d) Short Term Provisions	9	1,754	473
Total Current Liabilities		544,145	469,917
Total Equity And Liabilities		1,034,646	878,532
II. Assets			
(1) Non Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		364,418	385,320
(ii) Intangible Assets		73,106	14,101
(iii) Capital Work In Progress		16,400	-
Total Fixed Assets		453,924	399,421
(b) Non Current Investments	11	25	25
(c) Long Term Loans And Advances	12	124,187	102,810
(d) Other Non Current Assets	13	3,229	3,069
Total Non Current Assets		581,365	505,325
(2) Current Assets			
(a) Inventories	14	178,833	162,220
(b) Trade Receivables	15	22,968	24,402
(c) Cash And Bank Balances	16	138,385	85,045
(d) Short Term Loans And Advances	17	113,095	101,540
Total Current Assets		453,281	373,207
Total Assets		1,034,646	878,532


The Notes 1 to 36 form an integral part of the Financial Statements

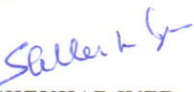
As per our Report of even date
For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W


ERMIN K. IRANI
PARTNER
Membership No.: 35646
 Mumbai, May 08, 2015


MOHIT KHATTAR
 Managing Director
 DIN.
 02673201

Signatures to Balance Sheet and Notes to Financial Statements
 For and on behalf of the Board


A. MAHENDRAN
 Director
 DIN.
 00242423


SHEKHAR IYER
 Chief Financial Officer
 Membership No.
 049573


SUSHMA SHUKLA
 Company Secretary
 Membership No.
 ACS 26825

NATURES BASKET LIMITED
Statement of Profit And Loss For The Year Ended March 31, 2015

Rs. in Thousand

Particulars	Note No.	Current Year	Previous Year
I. Revenue from Operations	18	2,078,819	1,735,348
II. Other Income	19	15,718	8,225
III. Total Revenue		2,094,537	1,743,573
IV. Expenses			
(1) Purchases of Stock in Trade	20	1,604,855	1,378,615
(2) Changes in Inventories of Stock in Trade	21	(16,613)	(36,620)
(3) Employee Benefits Expense	22	178,797	135,831
(4) Finance Costs	23	54,572	47,359
(5) Depreciation And Amortization Expense		88,009	52,683
(6) Other Expenses	24	611,123	478,940
Total Expenses		2,520,743	2,056,808
V. (Loss) Before Tax		(426,206)	(313,235)
VI. Tax Expense			
(a) Prior Period Tax Adjustment		16	-
VII. (Loss) For The Period		(426,190)	(313,235)
VIII. Earnings per Share: (Basic/Diluted) in Rs.	25	(3.29)	(3.49)

The Notes 1 to 36 form an integral part of the Financial Statements

As per our Report of even date

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W

Signatures to Statement of Profit And Loss and Notes to Financial Statements
For and on behalf of the Board



ERMIN K. IRANI
PARTNER
Membership No.: 35646
Mumbai, May 08, 2015



MOHIT KHATTAR
Managing Director
DIN.
02673201



A. MAHENDRAN
Director
DIN.
00242423



SHEKHAR IYER
Chief Financial Officer
Membership No.
049573



SUSHMA SHUKLA
Company Secretary
Membership No.
ACS 26825

NATURES BASKET LIMITED
Cash Flow Statement For The Year Ended March 31, 2015

Rs. in Thousand

Particulars	Current Year	Previous Year
A. Cash Flow from Operating Activities :		
Loss Before Tax	(426,206)	(313,235)
Adjustments for:		
Depreciation	88,009	52,683
Loss On Sale Of Assets	11,194	2,963
Provision for Doubtful Advance	1,951	114
Interest Expenses	54,572	47,359
Interest Income	(6,843)	(1,200)
Dividend Income	(3)	(3)
	148,880	101,916
Operating (Loss) Before Working Capital Changes	(277,326)	(211,319)
Adjustments for:		
Inventories	(16,613)	(36,619)
Trade Receivables	1,433	(9,737)
Short Term Loans & Advances & Other Current Assets	(11,653)	(63,330)
Long Term Loans & Advances and Other Non Current Assets	(18,705)	(17,662)
Trade Payables	24,745	89,712
Long Term Provisions	55	4
Short Term Provisions & Other Current Liabilities	(8,485)	25,222
	(29,223)	(12,410)
Cash Generated from Operations	(306,549)	(223,729)
Direct Taxes Paid (net of refund received)	1,882	1,845
Net Cash Flow from Operating Activities	(308,431)	(225,574)
B. Cash Flow from Investing Activities :		
Acquisition of Fixed Assets	(166,155)	(171,739)
Proceeds from Sale of Fixed Assets	108	83
Purchase of Investments	-	-
Intercompany Deposit Placed	-	-
Recovery of Intercompany Deposit Placed	-	-
Interest Received	6,843	1,200
Dividend Received	3	3
Net Cash Flow from Investing Activities	(159,201)	(170,453)
C. Cash Flow from Financing Activities :		
Proceeds from Issue of Capital	541,100	335,300
Proceeds from Long Term Borrowings	108,501	366,780
Repayment of Long Term Borrowings	(75,826)	(245,822)
Proceeds from Short Term Borrowings	-	52,000
Repayment of Short Term Borrowings	-	(65,000)
Interest Paid	(52,901)	(42,828)
Net Cash Flow from Financing Activities	520,874	400,430
Net increase in Cash and Cash Equivalents	53,242	4,403
Cash and Cash Equivalents (Opening Balance)	84,915	80,512
Cash and Cash Equivalents (Closing Balance)	138,157	84,915

Notes:

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS) 3 on "Cash Flow Statements", and presents cash flows by operating, investing and financing activities.
- Figures in brackets are outflows/deductions.
- Figures of the previous year have been regrouped/restated wherever necessary to conform to this year's classification.

As per our Report of even date

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W

For and on behalf of the Board



ERMIN K. IRANI
PARTNER
Membership No.: 35646
Mumbai, May 08, 2015



MOHIT KHATTAR
Managing Director
DIN.
02673201



A. MAHENDRAN
Director
DIN.
00242423



SHEKHAR IYER
Chief Financial Officer
Membership No.
049573



SUSHMA SHUKLA
Company Secretary
Membership No.
ACS 26825

Notes to the Financial Statements

Note No. 1 - Significant Accounting Policies

(a) Accounting Convention

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act') / The Companies Act, 1956, as applicable.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

(c) Fixed Assets

Fixed assets have been stated at cost and include incidental and / or installation/development expenses incurred in putting the asset to use and interest on borrowing incurred during construction period. Pre-operative expenses for major projects are also capitalised, where appropriate.

Intangible assets acquired separately are stated at cost of acquisition less accumulated amortisation.

(d) Borrowing Costs

Interest and commitment charges incurred in connection with borrowing of funds, which are directly attributable to the acquisition, construction or production of an asset that necessarily takes substantial period of time to get ready for its intended use, upto the time the said asset is put to use are capitalised, as a part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) Impairment of Assets

Carrying amount of cash generating units / assets are reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

(f) Depreciation / Amortisation

Depreciation is provided on the basis of useful life as mentioned in Schedule II to the Companies Act, 2013, except for Plant & Machinery which are depreciated over its estimated useful life of seven and half years, Leasehold improvements and equipments are amortised over the primary lease period, goodwill is amortised over a period of Ten years, computer software are amortised over a period of Six years and website platform is amortised over a period of Ten years. Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase/acquisition.

The Company believes that the useful life as stated above best represents the useful lives of these assets based on external & internal assessment, regular maintenance schedule and past experience

(g) Investments

Long Term investments are carried at cost. Provision for diminution, if any, in the value of each long term investment is made to recognise a decline, other than of a temporary nature.

(h) Inventories

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

(i) 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.

(j) Revenue Recognition

Revenue is recognised when goods are despatched to external customers. Sales are net of returns, sales tax rebates, etc.



(k) Retirement & Other Employee Benefits

(i) Short Term Employee Benefits:

Short term benefits such as salaries, wages, etc., are recognised in the Statement of Profit and Loss 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'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 in 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.

(l) Deferred Tax

Tax Expenses comprises both Current and Deferred Tax. Current Tax is the amount of tax payable on the assessable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The tax effect is calculated on the accumulated timing difference at the year-end, based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

(m) Earnings Per Share

The 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.



Note No.	Particulars	Current Year	Previous Year
2	Share Capital		
(a)	Authorised Share Capital		
(i)	16,50,00,000 (Previous Year 11,00,00,000) Equity Shares of Rs.10/- each	1,650,000	1,100,000
(b)	Issued, Subscribed And Paid-up Share Capital		
(i)	16,01,90,000 (Previous Year 10,60,80,000) Equity Shares of Rs.10/- each fully paid up	1,601,900	1,060,800
	Total	1,601,900	1,060,800
(c)	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.		
(d)	Reconciliation of Number of Equity Shares		
	Balance as at the beginning of the year (10,60,80,000 shares, Previous Year 7,25,50,000 shares)	1,060,800	725,500
	Add: Rights Shares Issued in the ratio 0.093 : 1 (Nil Shares, Previous Year 67,50,000 shares)	-	67,500
	Add: Rights Shares Issued in the ratio 0.085 : 1 (Nil Shares, Previous Year 67,50,000 shares)	-	67,500
	Add: Rights Shares Issued in the ratio 0.078 : 1 (Nil Shares, Previous Year 67,50,000 shares)	-	67,500
	Add: Rights Shares Issued in the ratio 0.035 : 1 (Nil Shares, Previous Year 32,50,000 shares)	-	32,500
	Add: Rights Shares Issued in the ratio 0.070 : 1 (Nil Shares, Previous Year 67,80,000 shares)	-	67,800
	Add: Rights Shares Issued in the ratio 0.031 : 1 (Nil Shares, Previous Year 32,50,000 shares)	-	32,500
	Add: Rights Shares Issued in the ratio 0.115 : 1 (1,22,20,000 shares, Previous Year Nil shares)	122,200	-
	Add: Rights Shares Issued in the ratio 0.070 : 1 (82,80,000 shares, Previous Year Nil shares)	82,800	-
	Add: Rights Shares Issued in the ratio 0.065 : 1 (82,80,000 shares, Previous Year Nil shares)	82,800	-
	Add: Rights Shares Issued in the ratio 0.121 : 1 (162,80,000 shares, Previous Year Nil shares)	162,800	-
	Add: Rights Shares Issued in the ratio 0.060 : 1 (90,50,000 shares, Previous Year Nil shares)	90,500	-
	Balance as at the end of the year (16,01,90,000 shares, Previous Year 10,60,80,000 Shares)	1,601,900	1,060,800
(e)	Shareholding Information		
(i)	Equity Shares held by Godrej Industries Ltd. - Holding Company (and its nominees) 16,01,90,000 (Previous Year 10,60,80,000) Equity Shares of Rs.10/- each fully paid up	1,601,900	1,060,800
(ii)	Shareholders holding more than 5% of Equity Shares Godrej Industries Limited - the Holding Company 16,01,90,000 (Previous Year 10,60,80,000) Equity Shares of Rs.10/- each fully paid up	1,601,900 100%	1,060,800 100%
3	Reserves And Surplus		
	(Deficit) in Statement of Profit & Loss		
	Balance as per last Balance Sheet	(1,020,530)	(707,295)
	Less: Adjustment for depreciation as per revised Schedule - II (Refer Note No. 30)	(9,455)	-
	Add: (Loss) for the period	(426,190)	(313,235)
	Total	(1,456,175)	(1,020,530)
4	Long Term Borrowings		
	<u>Secured</u>		
	Term Loan From a Bank (Refer Note No.4.1)	94,727	147,158
	Term Loan From a Financial Institution (Refer Note No.4.2)	248,962	220,155
	Total	343,689	367,313

Note No.4.1 :

(a) Nature of Security

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



Note No.	Particulars	Current Year		Previous Year	
		Non Current	Current	Non Current	Current
(b)	Terms of Repayment				
	1 Loan from Axis Bank				
	Carrying Interest @ 11.90% pa				
	(i) Tenure 20.03.2013 to 19.03.2018 with 2 years moratorium payable in 59 equal installments of Rs.641,667/- each & 60th installment of Rs.641,648/-	-	-	37,858	642
	2 Loan from Axis Bank				
	Carrying Interest @ 11.50% pa				
	(i) Tenure 01.08.2013 to 30.07.2020 with 2 years moratorium payable in 60 equal installments of Rs.750,000/- each	39,000	6,000	45,000	-
	(ii) Tenure 01.08.2013 to 30.07.2020 with 2 years moratorium payable in 60 equal installments of Rs.166,667 /- each.	8,667	1,333	10,000	-
	(iii) Tenure 01.08.2013 to 30.07.2020 with 2 years moratorium payable in 60 equal installments of Rs.583,333 /- each.	30,333	4,667	35,000	-
	(iv) Tenure 25.01.2014 to 30.07.2020 with 20 months moratorium payable in 60 equal installments of Rs.321,667 /- each.	16,727	2,573	19,300	-
		94,727	14,573	147,158	642

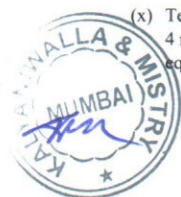
Note No.4.2 :

(a) Nature of Security

Term loan from Tata Capital Financial Services Ltd. is secured by hypothecation of the Fixed Assets and Current Assets of the Company.

(b) Terms of Repayment

	Current Year		Previous Year	
	Non Current	Current	Non Current	Current
1. Loan from Tata Capital Financial Services Ltd.				
Carrying Interest @ 10.80% pa				
(i) Tenure 31.03.2014 to 10.10.2018 payable in 55 equal installments of	51,667	20,000	71,667	20,000
(ii) Tenure 31.03.2014 to 10.10.2016 payable in 31 equal installments of	5,829	9,993	15,821	9,993
(iii) Tenure 31.03.2014 to 10.07.2019 with 4 months moratorium payable in 60 equal installments of Rs.416,667/- each	16,667	5,000	21,667	3,333
(iv) Tenure 31.03.2014 to 10.11.2019 with 8 months moratorium payable in 60 equal installments of Rs.583,333/- each	25,667	7,000	32,667	2,333
(v) Tenure 31.03.2014 to 10.01.2020 with 10 months moratorium payable in 60 equal installments of Rs.833,333/- each	38,333	10,000	48,333	1,667
(vi) Tenure 31.03.2014 to 30.03.2020 with 1 year moratorium payable in 60 equal installments of Rs.500,000/- each	24,000	6,000	30,000	-
(vii) Tenure 29.04.2014 to 10.03.2020 with 1 year moratorium payable in 60 equal installments of Rs.641,667/- each	30,800	7,700	-	-
(viii) Tenure 09.08.2014 to 30.03.2020 with 8 months moratorium payable in 60 equal installments of Rs.333,333/- each	16,000	4,000	-	-
(ix) Tenure 23.09.2014 to 30.03.2020 with 6 months moratorium payable in 60 equal installments of Rs.333,333/- each	16,000	4,000	-	-
(x) Tenure 11.12.2014 to 30.03.2020 with 4 months moratorium payable in 60 equal installments of Rs.333,333/- each	24,000	6,000	-	-
	248,962	79,693	220,155	37,326
	343,689	94,266	367,313	37,968



Note No.	Particulars	Current Year	Previous Year
5	Long Term Provisions		
	Provision for Employee Benefits		
	For Unavailed Leave	1,087	1,032
	Total	1,087	1,032
6	Short Term Borrowings		
	Unsecured		
	Inter Corporate Deposit from Related Party	52,000	52,000
	Total	52,000	52,000
	Note No.6.1 :		
	Terms of Repayment		
	The Inter Corporate Deposit from Related Party is repayable on demand carrying interest @ 10%.		
7	Trade Payables		
	(a) Amounts due to Micro and Small Enterprises	-	-
	(b) Trade Payables	295,692	270,948
	Total	295,692	270,948
	Note No.7.1 :		
	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 the Company 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).		
	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
8	Other Current Liabilities		
	(a) Current Maturities of Secured Long Term Debt	94,266	37,968
	(b) Interest Accrued & Due on Borrowings	1,068	1,457
	(c) Interest Accrued but Not Due on Borrowings	7,782	5,723
	(d) Statutory Dues	19,249	15,910
	(e) Non Trade Payables	42,735	46,685
	(f) Other Liabilities	29,597	38,753
	Total	194,699	146,496
	Note No.8.1 :		
	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.		
9	Short Term Provisions		
	Provision for Employee Benefits		
	For Unavailed Leave	156	176
	For Gratuity (Refer Note No. 26)	1,599	297
	Total	1,754	473



Note No.	Particulars	Current Year	Previous Year
11	Non Current Investments		
	Non Trade - Unquoted (valued at cost)		
	(i) Investments in Equity Instruments		
	2,500 Equity Shares of Rs.10/- each fully paid in The Saraswat Co-operative Bank Limited	25	25
	Total	25	25
12	Long Term Loans And Advances		
	Unsecured, Considered Good unless otherwise stated		
	(a) Capital Advances	14,102	11,215
	(b) Security Deposits	102,496	84,941
	(c) Other Loans And Advances		
	(i) Employee Loans & Advances		
	Considered Good	289	1,549
	Considered Doubtful	2,188	244
	Less: Provision for Doubtful Advances	(2,188)	(244)
		289	1,549
	(ii) Prepaid Expenses	137	58
	(iii) NSC Pledged with Government Authorities	762	544
	(iv) Advance Payment of Taxes (Net of provision for Tax)	6,401	4,503
	Sub-Total	7,590	6,654
	Total	124,187	102,810
13	Other Non Current Assets		
	Long Term Deposits with Bank with maturity period more than 12 months (Refer Note No.13.1)	3,229	3,069
	Total	3,229	3,069
	Note No.13.1 :		
	Fixed Deposits valuing Rs. 3,078 Thousand (Previous Year Rs.2,859 Thousand) are pledged with a Bank for guarantees issued.		
14	Inventories		
	Stock in Trade	178,833	162,220
	Total	178,833	162,220
	Note No.14.1 :		
	Details of Stock in Trade		
	Product Category		
	(a) Fruits, Vegetables and Other Perishables	15,900	14,779
	(b) Instant Foods and Cooking Ingredients	33,526	80,699
	(c) Non Vegetarian and Frozen Foods	92,912	15,531
	(d) Wines, Beers and Beverages	19,394	38,115
	(e) Others	17,101	13,096
		178,833	162,220
15	Trade Receivables		
	Unsecured, Considered Good		
	(a) Trade Receivables Outstanding for a period exceeding 6 months from the due date	4,059	3,541
	(b) Trade Receivables Outstanding for a period less than 6 months from the due date	18,909	20,861
	Total	22,968	24,402



Note No.	Particulars	Current Year	Previous Year
16	Cash And Bank Balances		
	(a) Cash and Cash Equivalents		
	(i) Cash on Hand	5,641	9,405
	(ii) Balances With Banks in Current Accounts	132,516	75,510
	Sub-Total	<u>138,157</u>	<u>84,915</u>
	(b) Other Bank Balances		
	(i) Deposits with maturity more than 3 months but less than 12 months (Refer Note No.16.1)	228	130
	Sub-Total	<u>228</u>	<u>130</u>
	Total	<u>138,385</u>	<u>85,045</u>
	Note 16.1:		
	Fixed Deposits are pledged with a Bank for guarantees issued.		
17	Short Term Loans And Advances		
	Unsecured, Considered Good		
	(a) Advances to Related Parties	662	675
	(b) Other Loans And Advances		
	(i) Employee Loans & Advances	701	655
	(ii) Advances to Vendors / Service Providers	10,437	16,974
	(iii) Inter Corporate Deposits	52,000	52,000
	(iv) Interest Accrued on Inter Corporate Deposit	5,773	316
	(v) Other Deposits	25,074	12,533
	(vi) Prepaid Expenses	5,117	4,812
	(vii) Balances with Government Authorities	13,333	13,575
	Sub-Total	<u>112,433</u>	<u>100,865</u>
	Total	<u>113,095</u>	<u>101,540</u>



10. Fixed Assets

Rs. in Thousand

ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As At 01.04.14	Additions	Deductions	As At 31.03.15	Upto 01.04.14	For the Period	On Deductions	Adjustment	Upto 31.03.15	As At 31.03.15	As At 31.03.14
Tangible Assets											
Leasehold Improvements	214,279	30,702	15,353	229,628	78,328	34,948	10,317	-	102,959	126,669	135,951
Plant & Machinery	75,631	10,187	911	84,907	6,127	12,048	284	271	18,162	66,745	69,504
Air Conditioners / Water Coolers	43,350	5,436	843	47,943	5,225	9,965	645	5,357	19,902	28,041	38,125
Furniture & Fixtures	101,951	19,598	2,037	119,512	11,049	12,325	494	4	22,884	96,628	90,902
Vehicles	496	5	42	459	277	45	38	-	284	175	219
Equipments	28,075	4,738	545	32,268	5,278	6,496	219	3,692	15,247	17,021	22,797
Electrical Equipments & Installation	19,562	3,925	108	23,379	1,515	2,307	22	-	3,800	19,579	18,047
Computers	24,010	5,101	106	29,005	15,819	5,094	106	131	20,938	8,067	8,191
Servers & Networks	2,825	240	15	3,050	1,241	329	13	-	1,557	1,493	1,584
Total	510,179	79,932	19,960	570,151	124,859	83,557	12,138	9,455	205,733	364,418	385,320
Intangible Assets											
Goodwill	7,376	51,656	-	59,032	4,242	1,714	-	-	5,956	53,076	3,134
Website Platform	-	10,705	-	10,705	-	202	-	-	202	10,503	-
Computer Software	13,827	4,576	4,083	14,320	2,860	2,536	603	-	4,793	9,527	10,967
Total	21,203	66,937	4,083	84,057	7,102	4,452	603	-	10,951	73,106	14,101
Grand Total	531,382	146,869	24,043	654,208	131,961	88,009	12,741	9,455	216,684	437,524	399,421
Previous Year	402,563	161,948	33,129	531,382	109,361	52,683	30,083	-	131,961	399,421	
Capital Work in Progress		16,400		16,400	-	-	-	-	-	16,400	-

Note No. 10.1 Adjustment under depreciation represents the carrying amount of Fixed Assets whose useful life as on April 01,2014 has been completed as per schedule II to the Companies Act,2013. Accordingly amount of Rs.9,455 thousand has been adjusted in the opening balance of (Deficit) in Statement of Profit and Loss. (Refer Note No. 30)



Note No.	Particulars	Current Year	Previous Year
18	Revenue From Operations		
	(a) Sale of Products	2,036,844	1,694,512
	(b) Other Operating Revenues		
	(i) Listing Fees & Display Charges	33,669	31,307
	(ii) Seconds Sales	269	291
	(iii) Others	8,037	9,237
		41,975	40,836
	Total	2,078,819	1,735,348
	Note No.18.1 :		
	Details of Sale of Major Products		
	Product Category		
	(a) Fruits, Vegetables and Other Perishables	628,142	541,163
	(b) Instant Foods and Cooking Ingredients	260,458	574,702
	(c) Non Vegetarian and Frozen Foods	706,859	331,711
	(d) Wines, Beers and Beverages	390,845	209,969
	(e) Others	50,540	36,967
		2,036,844	1,694,512
19	Other Income		
	(a) Interest Income		
	(i) Fixed Deposits with a Bank	1,207	263
	(ii) Others	5,636	937
		6,843	1,200
	(b) Dividend Income	3	3
	(c) Claims Received	1,650	2,535
	(d) Liabilities no longer required written back	5,078	1,006
	(e) Cash Discount	359	349
	(f) Promotional Income	1,117	627
	(g) Other Non Operating Income	668	2,506
	Total	15,718	8,226
20	Purchases of Stock in Trade	1,604,855	1,378,615
	Note No.20.1 :		
	Details of Purchase of Major Products		
	Product Category		
	(a) Fruits, Vegetables and Other Perishables	487,269	462,124
	(b) Instant Foods and Cooking Ingredients	553,824	449,887
	(c) Non Vegetarian and Frozen Foods	318,012	261,376
	(d) Wines, Beers and Beverages	211,767	178,925
	(e) Others	33,983	26,303
		1,604,855	1,378,615
21	Changes in Inventories of Stock in Trade		
	(a) Stock at the Commencement of the Year		
	(i) Stock in Trade	162,220	125,600
	(b) Less: Stock at the Close of the Year		
	(i) Stock in Trade	178,833	162,220
	Total	(16,613)	(36,620)
22	Employee Benefits Expense		
	(a) Salaries and Wages	157,870	121,103
	(b) Contribution to Provident and Other Funds	10,024	6,559
	(c) Expenses on Employee Stock Based Payments (Refer Note No.28)	2,909	2,593
	(d) Staff Welfare Expenses	7,994	5,576
	Total	178,797	135,831



Note No.	Particulars	Current Year	Previous Year
23	Finance Costs		
(a)	Interest Expense		
(i)	Bank Term Loans	46,613	39,205
(ii)	Inter Corporate Deposits	5,614	6,283
(b)	Other Borrowing Costs	2,345	1,871
	Total	54,572	47,359
24	Other Expenses		
(a)	Consumption of Packing Materials and Non-Trading Consumables	15,279	7,697
(b)	Rent (Refer Note No.28)	213,496	178,307
(c)	Repairs - Others	18,443	10,647
(d)	Insurance	4,730	2,822
(e)	Rates and Taxes	1,928	1,579
(f)	Provision for Doubtful Advances	1,951	114
(g)	Labour Charges	87,859	73,121
(h)	Electricity Charges	91,746	73,515
(i)	Legal & Professional Fees	18,908	10,352
(j)	Auditor's Remuneration (Refer Note No.24.1)	1,249	1,285
(k)	Directors Sitting fees	112	-
(l)	Freight, Coolie and Cartage	35,915	21,762
(m)	Discount, Selling Expenses and Commission	15,558	17,013
(n)	Advertisement and Publicity	28,611	29,480
(o)	Loss on Sale / Write Off of Fixed Assets	11,194	2,963
(p)	Bad Debts Written Off	5	-
(q)	Miscellaneous Expenses	64,139	48,283
	Total	611,123	478,940
	Note No.24.1 :		
	Auditor's Remuneration		
(a)	For Audit	860	764
(b)	For Audit Under Other Statutes	236	281
(c)	For Taxation Matters	121	225
(d)	For Reimbursement of Expenses	5	15
(e)	For Other Services	28	-
	Total	1,249	1,285
25	Earnings Per Share		
(a)	Net Loss After Tax (Rs. in thousand)	(426,190)	(313,235)
(b)	Number of Equity Shares Outstanding at the end of the period	160,190,000	106,080,000
(c)	Weighted average number of equity shares outstanding during the year	129,674,986	89,728,904
(d)	Basic and Diluted Earnings Per Share (Rs.)	(3.29)	(3.49)
(e)	Nominal Value of Shares (Rs.)	10	10



Note No.	Particulars	Current Year	Previous Year			
26	Employee Benefits					
	Contribution to Gratuity Fund					
	The Company makes provision for Gratuity in the books of accounts for qualifying employees. Gratuity is payable to all eligible employees on superannuation, death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy whichever is beneficial to the employees.					
	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, 2015:					
(a)	Change in Present Value of Obligation					
	(i) Present value of obligation as at the beginning of the year	2,444	2,059			
	(ii) Interest Cost	227	170			
	(iii) Service Cost	557	625			
	(iv) Benefits Paid	(617)	(59)			
	(v) Actuarial (gain)/loss on obligation	1,062	(351)			
	Present value of obligation, as at the end of the year	<u>3,673</u>	<u>2,444</u>			
(b)	Change in Plan Assets					
	(i) Fair value of plan assets as at the beginning of the year	2,148	1,282			
	(ii) Expected Return on plan assets	200	106			
	(iii) Contributions	297	778			
	(iv) Benefits Paid	(617)	(59)			
	(v) Actuarial gain/(loss) on plan assets	47	41			
	Fair Value of plan assets, as at the end of the year	<u>2,075</u>	<u>2,148</u>			
(c)	Amount Recognised in the Balance Sheet					
	(i) Present value of obligation, as at the end of the year	3,673	2,444			
	(ii) Fair value of plan assets as at the end of the year	2,075	2,148			
	Net obligation as at the end of the year	<u>1,598</u>	<u>297</u>			
(d)	Net Gratuity Cost for the Year					
	(i) Current Service Cost	557	625			
	(ii) Interest Cost	227	170			
	(iii) Expected return on plan assets	(200)	(106)			
	(iv) Net Actuarial (gain)/loss to be recognised	1,014	(392)			
	Net gratuity cost	<u>1,598</u>	<u>297</u>			
(e)	Assumptions Used in Accounting for the Gratuity Plan of Past 5 Years					
		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	(i) Discount Rate	9.30%	9.30%	8.25%	8.50%	8.25%
	(ii) Salary escalation rate	4.00%	4.00%	4.00%	4.00%	4.00%
	(iii) Expected rate of return on plan assets	9.30%	9.30%	8.25%	8.50%	8.25%

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.

27 Expenses on Employee Stock Based Payments

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and the Compensation Committee of the company has approved the grant of stocks to a certain eligible employee in terms of the Scheme. The stock grants shall vest in the proportion of 1/3rd at the end of each year from the date on which the stock grants are awarded for a period of 3 consecutive years. The exercise price is Re.1 per equity share as provided in the scheme. During the current financial year the company has provided Rs.2,749 thousand, (Previous Year Rs.2,553 thousand) for the aforesaid eligible employee.



Note No.	Particulars	Current Year	Previous Year
28	Lease Taken by the Company		
	The Company's leasing arrangements are in respect of operating leases for premises occupied by the Company. These leasing arrangements are cancellable, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.		
(a)	The total of future minimum lease payments under cancellable operating leases for each of the following periods:		
(i)	Not later than one year	245,468	181,839
(ii)	Later than one year and not later than five years	833,812	713,200
(iii)	Later than five years	301,656	242,528
		<u>1,380,937</u>	<u>1,137,567</u>
(b)	Lease payments recognised in the statement of Profit & Loss for the year	<u>213,496</u>	<u>178,307</u>
29	Expenditure in Foreign Currency		
	Travelling Expenses	143	355
30	Change in Depreciation in accordance with adoption of Companies Act 2013		
	Consequent to the enactment of Companies Act, 2013 (the Act) and its applicability for accounting periods commencing on or after April 1, 2014, the Company has adopted the estimated useful life of fixed assets as stipulated in Note No. 1(f). Accordingly, the Company has reworked depreciation with reference to estimated useful lives of fixed assets as stipulated in Note No. 1(f). In case of assets whose useful life has been completed based on such estimates, the carrying value, net of residual value, as at April 1, 2014, amounting to Rs.9,455 thousand has been adjusted in the opening balance of (Deficit) in Statement of Profit and Loss and in other cases the carrying value is being depreciated over the remaining useful life of the assets and recognised in the Statement of Profit & Loss. As a result of the abovementioned changes, the charge for depreciation is higher by Rs 22,155 thousand for the year ended March 31, 2015.		
31	Business Purchase		
	During the year Company has purchased business from Ekstop Shop Private Limited, with effect from January 22, 2015, which includes only specific assets and the website portal.		
32	Accumulated Losses		
	The financial statements have been prepared on the assumption of a going concern basis notwithstanding substantial erosion in net worth and in view of further infusion of additional funds from its promoters / shareholders. The Company has an accumulated loss of Rs. 1,456,178 thousand (Previous year Rs. 1,020,530 thousand). The Company is expecting to generate faster growth in additional revenue through its online business and new stores which is expected to improve its financial position in the short to medium term. In the expectation of the successful outcome of the above, the accounts have been prepared on a going concern basis.		
33	Contingent Liabilities		
	Guarantees issued by the Banks which have been secured by deposits with bank.	1,180	1,280
34	Balance Confirmation		
	Current Assets, Loans and Advances, Deposits and Sundry Creditors are subject to confirmation / reconciliation and consequential adjustments, if any.		
35	Related Party Transactions		
	Related party disclosures as required by AS - 18, "Related Party Disclosures", are given below:		
(a)	Relationships:		
(i)	Holding Company		
	1 Godrej Industries Ltd., the Holding Company		
	2 Godrej & Boyce Mfg Co. Ltd., the ultimate 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 Swadeshi Detergents Ltd. (merged into Godrej Industries Ltd. w.e.f. 6th September, 2013)		
	7 Godrej International Ltd. (a subsidiary incorporated in Labuan, Malaysia on 12th February, 2015)		
B.	Subsidiaries of Godrej & Boyce Mfg Co Ltd (G&B) (with G&B's direct equity holdings in excess of 50%):		
	1 Godrej Infotech Ltd.		
	2 Wadala Commodities Ltd. (merged with Godrej Industries Ltd. w.e.f. 21st November, 2014)		
	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 w.e.f. 1st October, 2013)		
	8 East View Estates Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)		
	First Rock Infrastructure Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)		
	Miracletouch Developers Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)		
	Godrej Americas Inc. (a wholly-owned subsidiary incorporated in the USA on 1st April, 2014)		



Note No.	Particulars	Rs. in Thousand	
		Current Year	Previous Year
	(iii) Key Management Personnel		
	1 Mr. Mohit Khattar		
	(iv) Individuals Exercising Control or Significant Influence (and their relatives)		
	1 Mrs. Tanya Dubash		
	2 Mr. A. Mahendran		
	3 Mr. Sandeep Kumar Barasia		
	(v) Firm in which director or Manager or his relative is a partner		
	1 Anamudi Real Estates LLP (Mrs. Tanya Dubash - Designated Partner)		

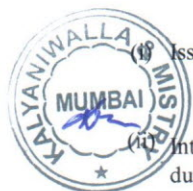


(b) The following transactions were carried out with the related parties in the ordinary course of business :

Nature of Transactions	Rs. in Thousand		
	Holding Company (i)	Fellow Subsidiaries (ii)	Other Related Parties (iii) (iv) & (v)
(i) Issue of share capital	541,100 335,300		
(ii) Intercorporate deposits Taken during the year		30,000 52,000	
(iii) Intercorporate deposits repaid during the year		30,000 65,000	
(iv) Interest expense on intercorporate deposits taken		5,614 6,283	
(v) Interest Income on intercorporate deposits given			5,513 316
(vi) Outstanding Intercorporate deposits taken		52,000 52,000	
(vii) Outstanding Intercorporate deposits Given			52,000 52,000
(viii) Security Deposit Paid towards lease rent	200 -		
(ix) Expenses charged by other companies	10,564 9,061	- 26	
(x) Expenses charged to other companies	774 -		
(xi) Purchase of Fixed Assets	6,753 -		
(xii) Sale of Traded Goods		1,000 -	
(xiii) Outstanding receivables, net of (payables)	(4,643) (1,534)	(4,687) (4,991)	5,246 285
(xiv) Remuneration			13,529 9,220

(c) Significant Related Party Transactions :

Nature of Transactions	Holding Company (i)	Amount	Fellow Subsidiaries (ii)	Rs. in Thousand	
				Amount	Other Related Parties (iii) (iv) & (v) Amount
Issue of share capital	Godrej Industries Ltd	541,100 335,300			
(ii) Intercorporate deposits Taken during the year			Godrej Agrovet Ltd.	30,000 52,000	



(iii) Intercompany deposits repaid during the year	Godrej Agrovet Ltd.	30,000				
					65,000	
(iv) Interest expense on intercompany deposits taken	Godrej Agrovet Ltd.	5,614				
					6,283	
(v) Interest Income on intercompany deposits given				Anamudi Real Estates LLP		5,513
						316
(vi) Outstanding Intercompany deposits taken	Godrej Agrovet Ltd.	52,000				
					52,000	
(vii) Outstanding Intercompany deposits Given				Anamudi Real Estates LLP		52,000
						52,000
(viii) Security Deposit Paid towards lease rent	Godrej Industries Ltd.	200				
(ix) Expenses charged by other companies	Godrej Industries Ltd.	10,534	Godrej Agrovet Ltd.	-		
		9,044			26	
	Godrej & Boyce Mfg. Co. Ltd.	30				
		17				
(x) Expenses charged to other companies	Godrej & Boyce Mfg. Co. Ltd.	774				
(xi) Purchase of Fixed Assets	Godrej & Boyce Mfg. Co. Ltd.	6,753				
(xii) Sale of Traded Goods			Godrej Properties Ltd	1,000		
(xiii) Outstanding receivables, net of (payables)	Godrej Industries Ltd.	(2,099)	Godrej Agrovet Ltd.	(5,196)	Anamudi Real Estates LLP	5,246
		(1,546)		(4,991)		285
	Godrej & Boyce Mfg. Co. Ltd.	(7,026)				
		12	Godrej Properties Ltd	509		
(xiv) Remuneration					Mr. Mohit Khattar	13,529
						9,220

Note No.3 5,1 :

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

36 Comparative Accounts

Previous year figures have been reclassified wherever necessary to conform with current year's classification.

For and on behalf of the board



Mohit Khattar
Mohit Khattar
Managing Dir
'02673201

A. Mahendran
A. Mahendran
Director
00242423

Shekhar Iyer
Shekhar Iyer
Chief Financial Officer
049573

Sushma Shukla
Sushma Shukla
Company Secretary
ACS26825