

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Natures Basket Limited
2nd Floor, Spencer Building, 30 Forjett Street
Mumbai 400036 Maharashtra

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 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, 2020 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, and 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, 2020 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, 2015;
 - 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/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - 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**.

The Company is not listed on any Stock Exchange in India hence compliance related to Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015 is not applicable to the Company and only clause (i), (iii) and (vi) 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.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below;

1. *As per the provision of Section 118(10) of the Companies Act, 2013 read with Secretarial Standards -I(SS-1), during the audit procedure we have not sighted following*
 - 1.1 *Date of entry of Minutes in the minutes book as per SS 7.5.2 of SS-1*
2. *Pursuant to the provision of Section 89(6) of The Companies Act, 2013 read with Rule 9(3) of The Companies (Management and Administration) Rules, 2014, the Company was required to file Eform MGT-6 which has not been filed during the period under review. We have been informed that the Company is in process of filing the same.*



3. *As per the provisions of Section 142 of the Companies Act, 2013, the remuneration of Auditors of the Company shall be fixed in its general meeting or in such manner as may be determined therein, however, we have not sighted the resolution of meeting of Board of Directors, fixing remuneration of Auditors for the period under review*

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including 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 provisions of the Act.

Adequate notices are given to all Directors to schedule the Board Meetings, Agenda. As per first proviso of Section 173(3) of the Companies Act, 2013, Independent Directors were present in the Board Meeting(s) held during the year under review, therefore detailed notes on agenda were not sent at least seven days in advance. Further 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.

We further report that during the audit period, the following specific events were held:

1. The Board of Directors of the Company at its meeting held on 17th May, 2019 had approved the Share Purchase Agreement between Godrej Industries Limited (100% Owner of shares of the Company), Spencer's Retail Limited and the Company for sale of 100% Equity Shares of the Company to Spencer's Retail Limited for an aggregate amount of Rs. 3,00,00,00,000/- (Rupees Three Hundred Crore Only).
2. The Board of Directors of the Company at its meeting held on 04th July, 2019 approved following:
 - 2.1 the Transfer of 100% shares of the company from Godrej Industries Limited to Spencer's Retail Limited Appointment of Mr. Devendra Chawla (DIN – 03586196) as an Additional Director of the Company w.e.f. 04th July, 2019; further in the Extra Ordinary General Meeting of the Company held on 4th July, 2019 he has been appointed as Non –Executive Director of the Company whose office is liable to retire by rotation.
 - 2.2 Appointment of Mr. Srikanth Ramachandra Murthy Gopishetty (DIN – 07383622) as an Additional Director of the Company w.e.f. 04th July, 2019; further in the Extra Ordinary General Meeting of the Company held on 4th July, 2019 he has been appointed as Non –Executive Director of the Company whose office is liable to retire by rotation
 - 2.3 Resignation of Mr. Sandeep Murthy (DIN – 00591165) from the position of Independent Director w.e.f. 04th July, 2019.
 - 2.4 Resignation of Mr. Sandeep Barasia (DIN – 01432123) from the position of Independent Director w.e.f. 04th July, 2019.



- 2.5 Resignation of Ms. Tanya Dubash (DIN – 00026028) from the position of Independent Director w.e.f. 04th July, 2019.
- 2.6 Repayment and satisfaction of Charge created for an amount of Rs. 10,00,00,000/- (Rupees Ten Crore Only) in favour of Kotak Mahindra Bank.
- 2.7 Change of Registered office of the Company from Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway Vikhroli (East) Mumbai- 400079 to 2nd Floor, Spencer Building, 30 Forjett Street, Mumbai – 400036 w.e.f. 01st August, 2019.
3. The Company has allotted 90,00,000 Equity Shares of Rs. 10/- each at par. aggregating to Rs. 9,00,00,000/- (Rupees Nine Crore Only) on right basis to Spencer's Retail Limited in the Board Meeting held on 30th August, 2019.
4. Mr. Sumit Zaveri has resigned from the position of Chief Financial Officer of the Company w.e.f. 20th September, 2019.
5. The Company has allotted 50,00,000 Equity Shares of Rs. 10/- each at par. aggregating to Rs. 5,00,00,000/- (Rupees Five Crore Only) on right basis to Spencer's Retail Limited in the Board Meeting held on 26th September, 2019.
6. Ms. Avani Davda (DIN – 07504739) has resigned from the post of Managing Director of the Company w.e.f. 11th November, 2019.
7. Mr. Sanketh Koka (DIN - 08599380) has been appointed as an Additional Director of the Company w.e.f. 11th November, 2019, further in the Extra Ordinary General Meeting of the Company held on 20th December, 2019 he has been appointed as Whole Time Director of the Company.
8. The Company has allotted 1,08,80,000 Equity Shares of Rs. 10/- each at par aggregating to Rs. 10,88,00,000/- (Rupees Ten Crore Eighty Eight Lacs Only) on right basis to Spencer's Retail Limited in the Board Meeting held on 13th December, 2019.
9. Mr. Kumar Tanmay has been appointed as Chief Financial Officer of the Company w.e.f. 20th December, 2019.
10. The Company has allotted 52,90,000 Equity Shares of Rs. 10/- each at par aggregating to Rs. 5,29,00,000/- (Rupees Five Crore Twenty Nine Lacs Only) on right basis to Spencer's Retail Limited in the Board Meeting held on 31st December, 2019.
11. Ms. Nikita Shah resigned as Company Secretary and Mr. Rama Kant was appointed as Company Secretary of the Company w.e.f. 22nd January, 2020.



12. Mrs. Opal Nicola Ireland has been appointed as Additional Director of the Company w.e.f. 22nd January, 2020.
13. The Company has allotted 1,65,80,000 Equity Shares of Rs. 10/- each at par aggregating to Rs. 16,58,00,000/- (Rupees Sixteen Crore Fifty Eight Lacs Only) on right basis to Spencer's Retail Limited in the Board Meeting held on 31st March, 2020.

Note:

1. 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.

Place: Mumbai**Date: 25th June, 2020****For Aabid & Co
Company Secretaries**
**Mohammed Aabid
Partner****Membership No.: F6579****COP No.: 6625****UDIN:F006579B000372670**

ANNEXURE – I
List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial Year ended 31st March, 2020.
3. Minutes of the meetings of the Board of Directors, Audit Committee, 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 164 (2) and 184 (1) of Companies Act, 2013.
7. E-forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
8. Statutory Registers under Companies Act, 2013



ANNEXURE – II
LIST OF OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY

1. The Maternity Benefit Act, 1961.
2. The Payment of Gratuity Act, 1972.
3. The Maharashtra Shops & Establishment Act, 1972
4. The Employee's State Insurance Act, 1948.
5. Employee's Compensation Act, 1923.
6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
7. The Employees Provident Funds and Miscellaneous Provisions Act, 1952
8. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975
9. The Information Technology Act, 2000
10. The Food, Safety & Standard Act, 2006



ANNEXURE-III

To,
The Members,
Natures Basket Limited
2nd Floor, Spencer Building, 30 Forjett Street
Mumbai 400036 Maharashtra

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.

