

Ref: PHRL 2023-24

Date: September 6, 2023

To,  
**BSE Limited**  
Listing Department  
25<sup>th</sup> Floor, P J Towers,  
Dalal Street,  
Mumbai – 400 001

**National Stock Exchange of India Limited**  
Listing Department  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East)  
Mumbai – 400 051

**Scrip Code: 540901**

**Symbol: PRAXIS**

Dear Sir/Madam,

**Sub.: Annual Report for Financial year 2022-23 along with Notice of the Twelfth Annual General Meeting and Cut Off Date for the purpose of e-voting**

**Ref: Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We would like to inform you that the Twelfth (12<sup>th</sup>) Annual General Meeting ('AGM') of the Members of Praxis Home Retail Limited ('the Company') is scheduled to be held on **Friday, September 29, 2023 at 11:30 a.m. IST** via two-way Video Conferencing ("VC") facility / Other Audio-Visual Means ("OAVM") in compliance with the various General Circulars issued by Ministry of Corporate Affairs ('MCA Circulars') and Circulars issued by the Securities and Exchange Board of India ('SEBI Circulars').

Further, in compliance with the MCA Circulars and SEBI Circulars, the Annual Report for the financial year ended March 31, 2023, along with the Notice of the 12<sup>th</sup> AGM is being sent to the Shareholders today i.e. September 6, 2023 only through electronic mode to the Members whose e-mail ids are registered with Company/Depository Participant(s)(DPs)/Registrar & Share Transfer Agents (RTA).

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for Financial Year ended March 31, 2023 along with Notice calling the 12<sup>th</sup> AGM.

The Company has fixed Friday, September 22, 2023 as the Cut-off date for the purpose of determining the Members eligible to vote electronically on the resolution(s) as set out in the Notice of the AGM. The remote e-voting period shall commence on Tuesday, September 26, 2023 at 09:00 a.m. (IST) and end on Thursday, September 28, 2023 at 05: 00 p.m. (IST).

The aforesaid documents are also made available on the Company's website at [www.praxisretail.in](http://www.praxisretail.in).

You are requested to kindly take note of the above.

Thanking you,

Yours faithfully,  
For **Praxis Home Retail Limited**

**Sanu Kapoor**  
**Head Legal & Company Secretary**

Encl: As above



## PRAXIS HOME RETAIL LIMITED

**Regd. Off.:** iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai - 400042.

**Tel. No.:** +91-22-68824900 **CIN:** L52100MH2011PLC212866

**website:** www.praxisretail.in **e-mail:** investorrelations@praxisretail.in

# Notice

NOTICE is hereby given that the Twelfth Annual General Meeting ("**AGM**") of the Members of PRAXIS HOME RETAIL LIMITED ("**the Company**") will be held on Friday, September 29, 2023 at 11:30 a.m. (IST) through video conferencing ("**VC**") / other audio-visual means ("**OAVM**") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Samson Samuel (DIN: 07523995), Non-Executive Non-Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. **Appointment of Mr. Swetank Jain (DIN: 08859745) as Chief Executive Officer & Whole-time Director of the Company and payment of remuneration to him**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") and the Rules made thereunder (including any statutory modifications or amendments or re-enactment thereof for the time being in force) and Article 140 of the Articles of Association of the Company, Mr. Swetank Jain (DIN:08859745) who was appointed as an Additional Director designated as Chief Executive Officer & Whole-time Director, being Key Managerial Personnel

of the Company with effect from September 01, 2023 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee and who holds office up to the date of this Annual General Meeting of the Company, under Section 161(1) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose office shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Act and the Rules made thereunder read with Schedule V of the Act (including any statutory modifications or amendments or re-enactment thereof for the time being in force) and subject to such other approvals/permissions, if any and as may be required, the consent of the Members of the Company, be and is hereby accorded for the appointment of Mr. Swetank Jain (DIN:08859745) as the Chief Executive Officer & Whole-time Director of the Company, for a period of three(3) years effective from September 01, 2023 to August 31, 2026 on the terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his tenure, with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the appointment in accordance with the requirements of the Act and within the limits approved by the Members of the Company.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board”, which term shall always be deemed to include any Committee constituted or to be constituted to exercise the powers including its powers conferred under this resolution) be and is hereby authorised to alter and vary from time to time, the terms and conditions of the appointment in accordance with the requirements of the Act and/or remuneration as it may deem fit, subject to the same not exceeding the applicable limits specified under Section 197, read with Schedule V of the Act or any statutory modification(s) or re-enactment thereto.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act, as it may, in its absolute discretion, consider necessary, expedient or desirable, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company.”

By order of the Board of Directors  
For **Praxis Home Retail Limited**

**Sanu Kapoor**

Head Legal & Company Secretary  
ACS No.14065

Place: Mumbai  
Date: August 31, 2023

**Registered Office:**

iThink Techno Campus,  
Jolly Board Tower D, Ground Floor  
Kanjurmarg (East), Mumbai-400042.  
Tel. No.: +91 22 6882 4900  
e-mail: investorrelations@praxisretail.in  
Website: www.praxisretail.in  
CIN: L52100MH2011PLC212866

## NOTES:

1. Pursuant to General Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022 and No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as '**MCA Circulars**'), the Company is convening the 12th Annual General Meeting ('AGM') through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In compliance with the provisions of the Companies Act, 2013 ('Act'), the Listing Regulations and MCA Circulars, the **12th AGM of the Company is being held through VC/OAVM on Friday, September 29, 2023, at 11:30 a.m. IST**. The deemed venue for the AGM will be the Registered Office of the Company i.e. iThink Techno Campus, Jolly Board Tower-D, Ground Floor, Kanjurmarg (East), Mumbai – 400042.
2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR THE APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
3. As per the provisions of clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at Item No.3 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forms part of this Notice.
3. The Explanatory Statement pursuant to Section 102 of the Act in respect of the Business under Item No. 3 set out above be transacted at the Meeting and the relevant details of the Directors seeking appointment/ re-appointment at this AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ('**Secretarial Standard**') are annexed hereto. Requisite declarations have been received from the Directors seeking appointment/re-appointment.
4. Institutional Members/ Corporate Members (i.e. other than individuals, HUFs, NRIs etc.) are required to send a scan copy of their respective Board or governing body resolution, Authorisations etc. pursuant to Sections 112 and 113 of the Act as the case may be, to attend the AGM through VC/OAVM mode and to vote through remote e-Voting. The said Resolutions/ Authorisations shall be sent to the '**Scrutiniser**' by e-mail at [ngvg@rediffmail.com](mailto:ngvg@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. Members attending the AGM through VC/OAVM, will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Pursuant to the applicable provisions, National Securities Depository Limited ('**NSDL**') has been appointed as the e-voting agency to provide the facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the NSDL e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first-come-first-served basis as per the MCA circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel,

the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors. The detailed instructions for joining the meeting through VC/OAVM form part of the Notes to this Notice.

9. In line with the General Circulars No. 20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021 and Circular No. 10/2022 dated December 28, 2022 issued by the MCA and the SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/ Registrar & Transfer Agent ('RTA'), unless any Member has requested for a physical copy of the same. The Notice of AGM and Annual Report 2022-23 are available on the Company's website at [www.praxisretail.in](http://www.praxisretail.in) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection. During the 12th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at [investorrelations@praxisretail.in](mailto:investorrelations@praxisretail.in).
11. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from our website at <https://www.praxisretail.in/investor-services.html> Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense, account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <https://www.praxisretail.in/investor-services.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
15. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI (LODR) and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares

and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard.

16. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**

17. **Norms for furnishing of PAN, KYC, Bank details and Nomination:**

Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/ MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/ MIRSD/ MIRSD RTAMB/ P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.

18. The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website at <https://www.praxisretail.in/investor-services.html>. In view of the above, Members holding shares in physical form are requested to submit the required forms along with the supporting documents at the earliest. The Company has dispatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.
19. Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company

to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

20. Members who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, and Circulars etc. from the Company in electronic form. The detailed procedure for registering the email-id and other details is/are given below:

**Procedure for registration of e-mail address and bank details by shareholders:-**

**a. For Temporary Registration for Demat shareholders:**

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Private Limited by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) on their website [www.linkintime.co.in](http://www.linkintime.co.in) at the "Investor Services" tab by choosing the e-mail Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, DP- ID, Client-ID / PAN, Mobile Number and e-mail id. In case of any query, a Member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

On submission of the shareholders details, an OTP will be received by the shareholder which needs to be entered in link for verification.

**b. For Permanent Registration for Demat shareholders:**

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

**c. Registration of email id for shareholders holding physical shares:**

The Members of the Company holding Equity Shares of the Company in physical Form

and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Private Limited, by clicking the link [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) on their website [www.Linkintime.co.in](http://www.Linkintime.co.in) at the Investor Services tab by choosing the "Email / Bank Detail Registration" heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, Mobile Number and e-mail id and also upload the image of share certificate in PDF or JPEG format (upto 1 MB). In case of any query, a Member may send an e-mail to RTA [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

On submission of the shareholders details, an OTP will be received by the shareholder which needs to be entered in the link for verification.

**d. Registration of Bank Details for physical shareholders:**

The Members of the Company holding Equity Shares of the Company in physical form and who have not registered their bank details, can get the same registered with Link Intime India Private Limited, by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) on their website [www.linkintime.co.in](http://www.linkintime.co.in) at the 'Investor Services' tab by choosing the "Email / Bank Detail Registration" heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, E-mail Id along with the copy of the cheque-leaf with the first named shareholder name imprinted on the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a Member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

On submission of the shareholders details, an OTP will be received by the shareholder which needs to be entered in the link for verification.

**21. Voting by Members:**

- a. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), MCA Circulars and the SEBI Circulars, the Company is providing its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by NSDL) either by (i) remote e-voting prior to the AGM or (ii) remote e-voting during the AGM.
- b. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on **Friday, September 22, 2023 ('cut-off date')** shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting prior to the AGM or remote e- voting during the AGM.
- c. Members of the Company holding shares either in physical form or electronic form, as on the cut-off date of Friday, September 22, 2023, may cast their vote by remote e-Voting. The remote e-Voting period commences on **Tuesday, September 26, 2023 at 09:00 AM (IST) and ends on Thursday, September 28, 2023 at 05:00 PM (IST)**. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 22, 2023.
- d. The Members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The Members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-voting prior to the Meeting shall be able to exercise their right to cast their vote by remote e-voting during the Meeting. The Members who have cast their vote by remote e-voting prior to the AGM are eligible to attend the

Meeting but shall not be entitled to cast their vote again.

- e. The Board of Directors has appointed Mr. Anant Gude (Membership No. ACS 7219 & COP 18623) of M/s. Anant Gude & Associates, Practicing Company Secretary as the Scrutinizer, to scrutinize the voting process, in a fair and transparent manner.
- f. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

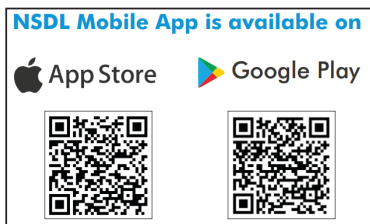
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="587 874 1453 1255">1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value Added Services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="587 1276 1453 1397">2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="587 1417 1453 1828">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



Type of shareholders	Login Method
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- Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in demat mode with CDSL

- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
- After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
- If the user is not registered for Easi/Easiest, option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.
- Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800-1020-990 and 1800-22-44-30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

- (i) If your email-ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email-ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
  6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com).
    - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nSDL.co.in](mailto:evoting@nSDL.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**
- How to cast your vote electronically and join General Meeting on NSDL e-Voting system?***
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
  2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
  3. Now you are ready for e-Voting as the Voting page opens.
  4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  5. Upon confirmation, the message "Vote cast successfully" will be displayed.
  6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- General Guidelines for shareholders**
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by

e-mail to [ngvg@rediffmail.com](mailto:ngvg@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020-990 and 1800-22-44-30 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investorrelations@praxisretail.in](mailto:investorrelations@praxisretail.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR

(self-attested scanned copy of Aadhar Card) to [investorrelations@praxisretail.in](mailto:investorrelations@praxisretail.in). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained **at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/member may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM/AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through laptops for better experience.
3. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance mentioning their name, demat account number/ folio number, email id, mobile number at investorrelations@praxisretail.in. Members who do not wish to speak during the AGM but have queries may send their queries during the said period, prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at investorrelations@praxisretail.in. These

queries will be replied to by the Company suitably by email. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time for the AGM.

6. Any person holding shares in physical form and non-individual Members, who acquire shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Friday, September 22, 2023 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/RTA.

However, if the person is already registered with NSDL for remote e-Voting, then the existing user ID and password of the said person can be used for casting vote. If the person forgot his/her password, the same can be reset by using 'Forgot user Details/ Password' or 'Physical user Reset Password' option available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or by calling on 022 4886 7000 and 022 2499 7000. In case of Individual Members holding securities in Demat mode who acquire shares of the Company and becomes a Member of the Company after sending the Notice and holding shares as of the cutoff date i.e. Friday, September 22, 2023, may follow steps mentioned in the notes to Notice under 'Access to NSDL e-Voting system'.

7. If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the Meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the Meeting.

**23. Declaration of results on the Resolutions:**

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, scrutinize the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-voting and submit, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same.

The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith not later than two working days of the conclusion of the Meeting.

2. The results declared along with the consolidated Scrutiniser's Report shall be placed on the Company's website [www.praxisretail.in](http://www.praxisretail.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and shall simultaneously be forwarded to the Stock

Exchanges i.e. BSE Limited and National Stock Exchange of India Limited. The result of the voting will also be displayed at the Notice Board at the Registered Office of the Company.

3. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. September 29, 2023.

By order of the Board of Directors  
For **Praxis Home Retail Limited**

**Sanu Kapoor**

Head Legal & Company Secretary  
ACS No.14065

Place: Mumbai  
Date: August 31, 2023

**Registered Office:**

iThink Techno Campus,  
Jolly Board Tower D, Ground Floor  
Kanjurmarg (East), Mumbai-400042.  
Tel. No.: +91 22 6882 4900  
e-mail: [investorrelations@praxisretail.in](mailto:investorrelations@praxisretail.in)  
Website: [www.praxisretail.in](http://www.praxisretail.in)  
CIN: L52100MH2011PLC212866

## EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), given hereunder sets out all material facts relating to the Special Business mentioned at Item No. 3 of the accompanying Notice dated August 31, 2023.

### ITEM NO. 3

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company ('the Board') at its meeting held on August 31, 2023 approved the appointment of Mr. Swetank Jain (DIN: 08859745) as an Additional Director and as Chief Executive Officer & Whole-time Director of the Company w.e.f. September 1, 2023 liable to retire by rotation and he holds he holds office till the ensuing Annual General Meeting under Section 161(1) of the Companies Act, 2013 ("the Act") and Article 140 of the Articles of Association of the Company, therefore it is proposed to appoint him as Director.

Further, the Board has approved his appointment as Chief Executive Officer & Whole-time Director of the Company for a period of 3 (three) years effective from September 01, 2023 to August 31, 2026, and also designated as the Key Managerial Personnel, on the terms and conditions (including the minimum remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during his tenure as specified hereinafter, subject to the approval of the Members.

Mr. Jain has submitted his consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 and also, intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Act. Mr. Jain fulfils all the conditions given under Section 196 and Schedule V of the Act for being eligible for his appointment.

In the opinion of the Board the appointment of Mr. Swetank Jain would be of immense benefit to the Company and it is desirable to avail his services as a Chief Executive Officer and Whole-time Director. With his rich experience in retail sector, his appointment

would be beneficial for the overall growth of the Company.

Additional information as required under Regulation 36 of Listing Regulations and Secretarial Standard on General Meetings (SS-2), in respect of Mr. Swetank Jain is provided in the Annexure A to this Notice and also forms part of the Statement. Further, a brief profile of Mr. Jain, including nature of his expertise and other relevant details are provided in Annexure B as required under Schedule V to the Companies Act, 2013 ("the Act") which forms a part of the Statement.

### The major terms and conditions of the appointment of Mr. Swetank Jain are as follows:

- I. **Period of Appointment:** Period of 3 (three) years effective from September 01, 2023 to August 31, 2026
- II. **Remuneration:** up to ₹2,25,00,000/- (Rupees Two Crore Twenty-Five Thousand) per annum
- III. **Perquisites:** subject to overall ceiling as aforesaid, Mr, Swetank Jain shall have liberty to opt for such other allowances, perquisites and incentives as he deem fit including medical reimbursement, leave travel concession for self and family, club fees, group medical & personal accident insurance, company-maintained car, telephone and such other perquisites in accordance with the Company's rules.

Subject to the applicable provisions of the Act, perquisites and allowances shall be valued as per Income Tax Act, 1961 read with Income Tax Rules, 1962 wherever applicable, and at cost, in the absence of any.

- IV. **Retiral Benefits:** In addition to the perquisites referred above, he will also be eligible to the following retiral benefits which shall not be included in the computation of the ceiling on remuneration

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961);

- Gratuity payable as per Gratuity Act, 1972;
- Encashment of leave at the end of the tenure; and
- Reimbursement of expenses incurred for the business of the Company.

**IV. Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, Mr. Swetank Jain shall be entitled to receive the total remuneration not exceeding the ceiling limits as approved by the Members herein above, as minimum remuneration.

**V. OTHER TERMS:**

- No sitting fees shall be paid to the Whole-time Director for attending meetings of the Board of Directors or any Committee of the Board.
- In order to comply with the provision of Section 152 regarding number of Directors liable to retire by rotation, Mr. Swetank Jain's term of office will be considered to be liable to retire by rotation.
- The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the

provisions contained in Section 166 of the Act with regard to duties of Directors. As the Chief Executive Officer & Whole-time Director of the Company shall perform such duties and exercise such powers as are additionally entrusted to him by the Board from time to time.

- The Whole-time Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel

As required under the provisions of the Act, approval of the Members is being sought for the appointment of Mr. Swetank Jain as Chief Executive Officer & Whole-time Director of the Company for a period of 3 (three) years and remuneration payable to him as mentioned in Item No. 3 of this Notice.

The Board recommends the Special Resolution as set out at Item No. 3 of this Notice for the approval of the Members of the Company.

Except for Mr. Swetank Jain and/or his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

By order of the Board of Directors  
For **Praxis Home Retail Limited**

**Sanu Kapoor**  
Head Legal & Company Secretary  
ACS No.14065

Place: Mumbai  
Date: August 31, 2023

**Registered Office:**

iThink Techno Campus,  
Jolly Board Tower D, Ground Floor  
Kanjurmarg (East), Mumbai-400042.  
Tel. No.: +91 22 6882 4900  
e-mail: investorrelations@praxisretail.in  
Website: www.praxisretail.in  
CIN: L52100MH2011PLC212866



Information as required pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Directors seeking appointment / re-appointment / revision in remuneration at the Annual General meeting.

<b>Name of the Director</b>	<b>Mr. Samson Samuel</b>	<b>Mr. Swetank Jain</b>
<b>DIN</b>	07523995	08859745
<b>Date of Birth</b>	May 22, 1967	May 29, 1980
<b>Age</b>	55 years	43 years
<b>Date of first appointment on the Board</b>	March 14, 2023	August 31, 2023
<b>Qualifications</b>	Engineer	MS in Business Communication from MIC (Manipal) and B.Sc. (Chemistry) Hons.
<b>Experience and Expertise in Specific Functional Area</b>	<p>Mr. Samuel is an Engineer with more than 24 years of experience spanning across manufacturing, consulting, IT and supply chain industries. He has worked in India and US in various capacities with organizations of repute like Best Buy, Staples, Lowes, Future Group, Mafatlal Consultancy, Wipro &amp; Cognizant.</p> <p>He is currently the CEO of Future Consumer Limited and prior that, he was the CEO of its subsidiary operating under the Brand Name 'Nilgiris'. He founded and exited a tech platform-based Distribution business in the name of LeanBox Logistics Solutions that was sold to Lynks/Swiggy. His core expertise is in the areas of Retail, Distribution, GoTo Market, IT Strategy &amp; Operations.</p>	<p>Mr. Jain is a passionate business leader working in the area of business strategy and execution, P&amp;L management, customer experience, people, and communication. In his career spanning over two decades of professional experience, he has worked with Future Group for 12 years where he was part of the core leadership team of its Group Founder and worked on various assignments ranging from incubation and innovation, communication, customer experience, business and people office.</p> <p>The other organisations, he has worked with are Lodha Ventures, ICICI Bank and Network Eighteen India, Bonito Designs, The House of Abhinandan Lodha, Xanadu Realty, Beyondskool and Easiloan. In 2021-22, along with retail thought leaders, he also co-founded Think9, a brand co-creation platform that transforms powerful ideas into authentic, profitable and experience-led businesses in key consumption categories like fashion, food &amp; wellness, beauty and home &amp; décor.</p>
<b>Terms and conditions of appointment / reappointment</b>	Appointed as a Non-Executive Director, liable to retire by rotation.	Appointed as an Executive-Director, liable to retire by rotation on the terms and conditions as per resolution at Item No.3 of this notice read with the explanatory statement thereto.

<b>Name of the Director</b>	<b>Mr. Samson Samuel</b>	<b>Mr. Swetank Jain</b>
<b>Number of Board meetings attended during the year 2022-23</b>	1 Board Meeting	Not Applicable
<b>Directorship in other Public Companies (excluding foreign companies &amp; Section 8 companies) (As on March 31, 2023)</b>	None	U2L Learning Solutions Limited
<b>Directorship held in other Listed entity from which the person has resigned, in the past three years</b>	None	None
<b>Chairmanship / Membership of Committees of the Board of Directors of other Listed companies (As on March 31, 2023)</b>	None	None
<b>Shareholding (as on March 31, 2023)</b>	NIL	NIL
<b>Relationship with other Directors / Key Managerial Personnel(s)</b>	Not related to any Director / Key Managerial Personnel of the Company.	Not related to any Director / Key Managerial Personnel of the Company.

**Note:** For further details related to remuneration drawn and proposed, directorship/committee membership, please refer to Board's Report, Corporate Governance Report forming part of the Annual Report.

**STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013**

Sr. No.	Information	Particulars																								
1.	Nature of industry	The Company is engaged in Retail Business and operates on pan India basis.																								
2.	Date or expected date of commencement of commercial production	N.A (since the Company has already commenced its business Activities).																								
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A																								
4.	Financial performance based on given indicators	(₹ in Lakhs)																								
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: right;">FY 2021</th> <th style="text-align: right;">FY 2022</th> <th style="text-align: right;">FY 2023</th> </tr> </thead> <tbody> <tr> <td>Paid up Share Capital</td> <td style="text-align: right;">1,519.16</td> <td style="text-align: right;">3,765.41</td> <td style="text-align: right;">3,783.51</td> </tr> <tr> <td>Total Turnover (from operations)</td> <td style="text-align: right;">31,309.58</td> <td style="text-align: right;">39,889.22</td> <td style="text-align: right;">38,604.55</td> </tr> <tr> <td>Profit / (Loss) before tax</td> <td style="text-align: right;">(10,323.52)</td> <td style="text-align: right;">1,423.56</td> <td style="text-align: right;">(2,101.39)</td> </tr> <tr> <td>Profit / (Loss) after tax</td> <td style="text-align: right;">(10,322.16)</td> <td style="text-align: right;">1,423.56</td> <td style="text-align: right;">(2,101.39)</td> </tr> <tr> <td>EPS – Basic and Diluted (in ₹)</td> <td style="text-align: right;">(36.61)</td> <td style="text-align: right;">2.74</td> <td style="text-align: right;">(2.79)</td> </tr> </tbody> </table>	Particulars	FY 2021	FY 2022	FY 2023	Paid up Share Capital	1,519.16	3,765.41	3,783.51	Total Turnover (from operations)	31,309.58	39,889.22	38,604.55	Profit / (Loss) before tax	(10,323.52)	1,423.56	(2,101.39)	Profit / (Loss) after tax	(10,322.16)	1,423.56	(2,101.39)	EPS – Basic and Diluted (in ₹)	(36.61)	2.74	(2.79)
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EPS – Basic and Diluted (in ₹)	(36.61)	2.74	(2.79)																							
5.	Foreign investments or collaborations, if any	There is no direct foreign investment in the Company as on date of this Notice and no foreign collaboration in the Company. Foreign investors deal in the Equity Shares of the Company, which is listed on BSE and NSE through secondary market.																								
6.	Information about the appointee: Background details, Past remuneration, Recognition or awards Job profile and his suitability	<p>Background details as mentioned in Annexure A above</p> <p>Past Remuneration: --</p> <p>Recognition or awards: none</p> <p>Job profile and his suitability: As executive position for business, his responsibilities includes management of the affairs of the Company and business of the Company subject to the supervision of the Board of Directors and continuously strive to promote the interests and welfare of the Company and all its stakeholders.</p> <p>As a passionate business leader Mr. Jain has worked in the area of business strategy and execution, P&amp;L management, customer experience, people, and communication. In his two decades of professional experience. He has worked for 12 years with Future Group where he was part of the core leadership team of its Group Founder and worked on various assignments ranging from incubation and innovation, communication, customer experience, business and people office.</p>																								

<b>Sr. No.</b>	<b>Information</b>	<b>Particulars</b>
7.	Remuneration proposed	As mentioned in the Resolution and Explanatory statement annexed
8.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The proposed remuneration (looking at his profile, leadership position and responsibilities), is commensurate with the remuneration being paid by the Companies of comparable size in the Industry in which the Company operates.
9.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Mr. Jain at present does not hold any share in the Company. Besides the present and proposed remuneration, he does not have any other pecuniary relationship with the Company.
<b>Other information:</b>		
10.	Reasons of loss or inadequate profits	During the past three financial years the Company had incurred losses due to various initiatives of the Company to improve sales and optimize costs to improve profitability in the forthcoming years. Also in the forthcoming financial years, the management expects that keeping in mind gearing up of the overall economy, post the COVID-19 pandemic impact the business of the Company will improve subject to internal and external risks.
11.	Steps taken or proposed to be taken for improvement	<p>The Company has undertaken various initiatives post COVID-19 impact to improve its growth and profitability. The Company has been reviewing the performance of its brick and mortar and online formats and projects better profitability in future through better performance of its various brands.</p> <p>The Company has also focused on the growth of its brands portfolio and expansion of the retail network by increasing its presence in new cities and expanded its products offerings, added new stores and home interior services. The Management is hopeful that the above steps shall result in the improvement of the Company's business in the forthcoming years.</p> <p>You may also refer to our Management Discussion and Analysis to understand the perspective and measures adopted by the Board to improve the business efficiency of the Company.</p>
12.	Expected increase in productivity and profits in measurable terms	The Company expects that with various steps proposed to be taken as stated above, coupled with its proposal to partner with high growth brands, it will be able to further improve the same store growth and its operating margins to deliver improved performance in the years to come and shall have adequate profit to make payment of managerial remuneration as approved by the Members of the Company.

<b>Sr. No.</b>	<b>Information</b>	<b>Particulars</b>
13.	Disclosures	The details of remuneration paid to all Directors along with relevant details are provided in the Corporate Governance Report which forms part of the Annual Report. As required the details of remuneration proposed to be paid to the Chief Executive Officer & Whole-time Director is provided in respective resolutions and Explanatory statements as provided above.

By order of the Board of Directors  
For **Praxis Home Retail Limited**

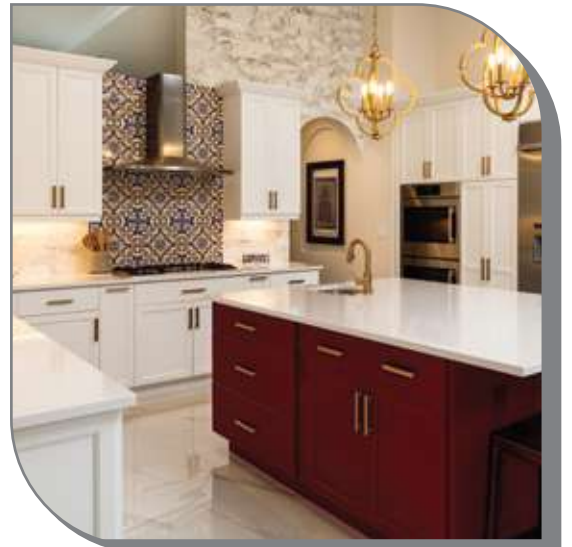
**Sanu Kapoor**

Head Legal & Company Secretary  
ACS No.14065

Place: Mumbai  
Date: August 31, 2023

**Registered Office:**

iThink Techno Campus,  
Jolly Board Tower D, Ground Floor  
Kanjurmarg (East), Mumbai-400042.  
Tel. No.: +91 22 6882 4900  
e-mail: investorrelations@praxisretail.in  
Website: www.praxisretail.in  
CIN: L52100MH2011PLC212866



**PRAXIS**<sup>®</sup>  
HOME RETAIL LIMITED

# ANNUAL REPORT

2022-23

[www.hometown.in](http://www.hometown.in)



Please find the online version at:  
[https://www.praxisretail.in/  
annual-reports.html](https://www.praxisretail.in/annual-reports.html)

or  
simply scan  
to download



# A NEW CHANGE IS ON THE HORIZON

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## INVESTOR INFORMATION

CIN : L52100MH2011PLC212866

NSE Symbol : PRAXIS

BSE Code : 540901

AGM Date : September 29, 2023

AGM Mode : Video Conferencing (VC) or Other Audio Visual Means (OAVM)

Deemed AGM Venue : iThink Techno Campus,

Jolly Board Tower D, Ground Floor, Kanjurmarg (East),

Mumbai – 400042, Maharashtra

**Disclaimer:** This document contains statements about expected future events and financials of Praxis Home Retail Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.





# WHAT WE DO

At HomeTown, we merge design and quality, crafting home solutions that epitomize comfort and aesthetic elegance. Our unwavering dedication to master craftsmanship shines through in each offering we present, encompassing furniture, furnishings, home décor and full home interiors. Our physical locations and digital platforms allow us to seamlessly guide our customers in transforming their space into a haven they'll fondly call home.

## CUSTOMISED HOME INTERIORS



HomeTown boasts a robust retail footprint nationally, with 33 outlets spanning 24 unique cities. Our diverse portfolio delivers all-encompassing home solutions, addressing every facet of interior design and lifestyle needs.

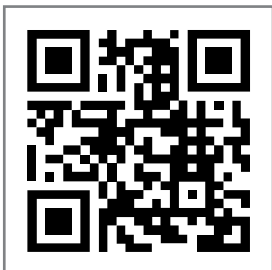
## MODULAR KITCHENS



Our offerings extend from tastefully crafted home interiors and practical modular kitchens to versatile modular wardrobes. Furthermore, we present a wide-ranging collection of furniture pieces, ensuring an answer to every customer's needs and preferences. Complementing our larger items, we provide an extensive selection of home decor and furnishings to add a touch of personality to any space.

In this digital age, HomeTown has embraced an omnichannel retail strategy, seamlessly blending our physical store experience with our online platforms. This ensures our customers can explore and purchase from our diverse product range at their convenience, whether from the comfort of their homes or within the immersive environment of our physical stores.

This commitment to flexibility and customer accessibility means HomeTown's quality products and services are always within reach, regardless of the customer's preferred shopping method. Our dedication to this integrated approach reflects our ongoing commitment to creating personalized, beautiful homes. With HomeTown, turning any space into a dream home is as convenient as it is inspiring.



Scan the QR to browse  
hometown.in

**FURNITURE****HOMEWARE****MODULAR WARDROBES**

# OUR VALUES

We work to create value beyond profit, putting our customers and stakeholders at the centre of our decision-making.



**INDIANNES**  
Believing in the Indian way and in oneself



**LEADERSHIP**  
In thought and in business



**INTROSPECTION**  
Continuous learning, self-development and personal excellence



**RESPECT**  
In dealing with everyone within and outside the organisation



**FLOW**  
Learn and be inspired from the universal laws of nature



**HUMILITY**  
In dealing with everyone within and outside the organisation



**ADAPTABILITY**  
Proactive in meeting challenges emerging from changing business scenarios



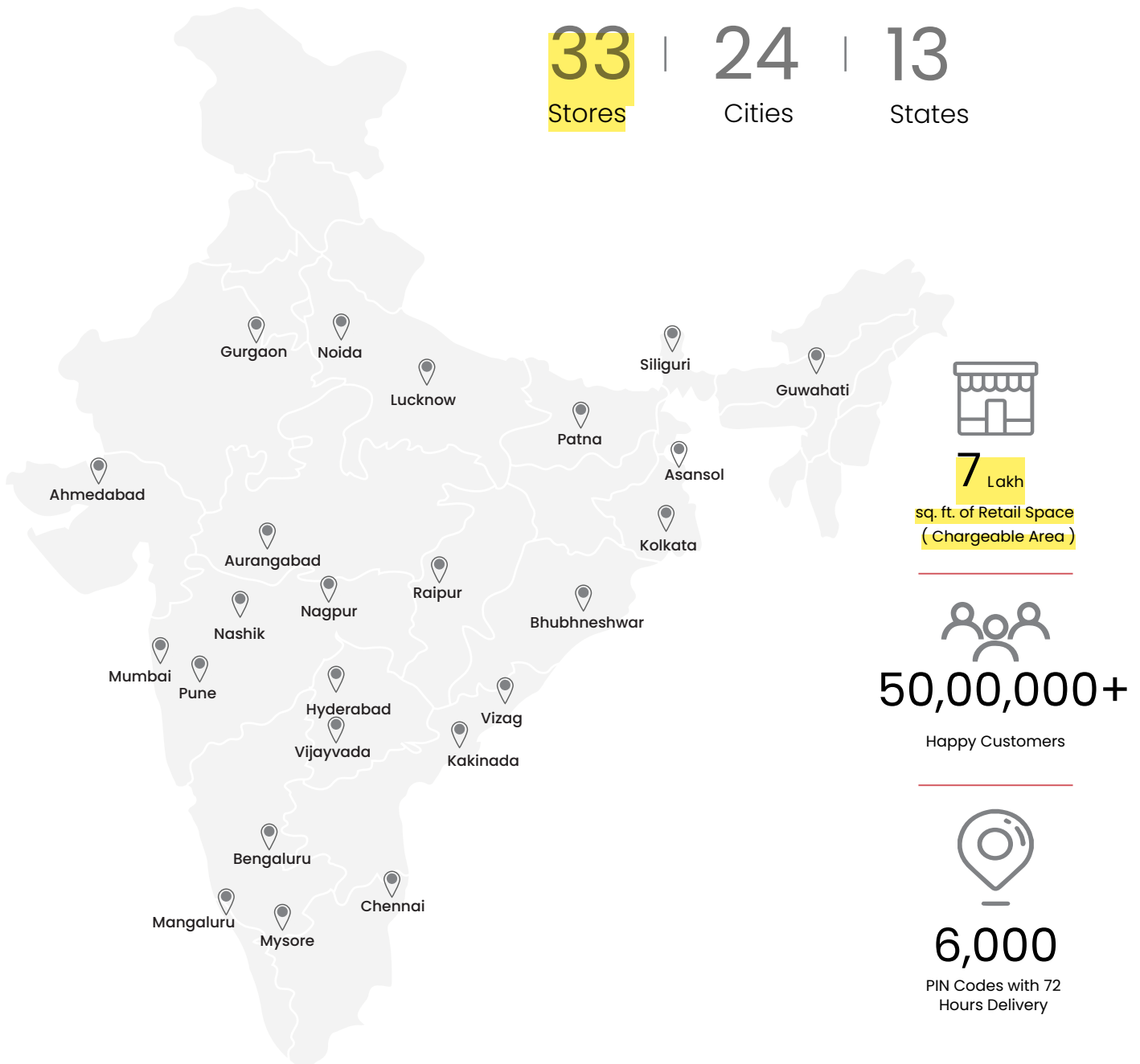
**POSITIVITY**  
Positive details of your life







# OUR NATIONAL FOOTPRINT



Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.



# OUR DIGITAL FIRST APPROACH



Embracing the digital era with innovation and agility, HomeTown has transitioned to a digital-first approach, leading the way in the home retail sector. This strategic shift, which places digital interaction and customer convenience at the forefront of our operations, has revolutionized the way our customers engage with our brand, and how they explore, personalize, and purchase from our wide array of home solutions. As a digital-first brand, HomeTown is not just meeting the expectations of the modern consumer but is driving a new standard in the industry, setting a benchmark for seamless, digitally-enabled home shopping experiences.

## OUR MARKETPLACE PARTNERS



# VOICES FROM OUR VALUED CLIENTS

**Ratna Kumar ★★★★★**

**HomeTown** Hyderabad, Telengana

The company showcased a truly professional approach and attitude. From the very beginning, it was evident that I was dealing with a team of dedicated experts.

**Abhishek Basu ★★★★★**

**HomeTown** Kolkata, West Bengal

This company is a perfect 10 out of 10 for their exceptional service and product! My experience with them has been nothing short of outstanding.

**Pankaja Thimmaiah ★★★★★**

**HomeTown** Malleswaram, Bangalore

I am absolutely thrilled with the exceptional service I received! From start to finish, my experience has been nothing short of fantastic. The level of professionalism and dedication displayed by the team exceeded my expectations.

**Sanjeevi Kumar ★★★★★**

**HomeTown** Chennai, Tamilnadu

My shopping experience with this company was absolutely wonderful! I wholeheartedly recommend this company to anyone looking for a fantastic experience. Their commitment to customer happiness and the quality of their products are second to none.

**Nikesh Shah ★★★★★**

**HomeTown** Ahmedabad, Gujarat

Their attention to detail & dedication to delivering a high-quality service truly stood out. Not only did they address my needs promptly, but they also went above and beyond to ensure that everything was handled to perfection.



# THE YEAR IN REVIEW: FROM MD'S DESK



“

"Our success in the home retail business hinges on our relentless focus on customer centricity. Understanding and addressing the evolving needs of our customers is not just a strategy, but the very ethos of our brand. Each home we help to create is not merely a space, but a reflection of personal taste, comfort, and cherished memories. Our role is to facilitate this journey for our customers, offering them an array of choices, the latest trends, and personalized solutions to turn their dreams into reality."

- Mahesh Shah

Managing Director

”

## Dear Shareholders

I am pleased to present the Annual Report for the fiscal year concluded in March 2023, a year marked by significant strides forward and an enhanced bond with our customers, business partners, and our invaluable team members. The strategic vision set forth in 2021 and 2022 has proven successful.

Our commitment to engaging with our stakeholders, understanding their needs and concerns, and offering seamless, efficient experiences remains steadfast. Thanks to our exceptional team of employees, we've been able to provide unparalleled service and contribute to the overall growth of our business.



## Future Outlook

*As we step into the promising year of 2023, I am delighted to announce a significant evolution for our brand. HomeTown is set to transition into a new phase as **HT Interiors**, a brand symbolising 'awakening tasteful living'. This rebranding showcases our ambition to stay ahead of the market and provide superior value to our customers. HT Interiors will offer turnkey home interior solutions, ranging from full home interiors to modular kitchens and wardrobes along with our vast array of tastefully crafted furniture, furnishings and home décor collection.*

*We are particularly thrilled about our collaboration with the iconic designer, **Pinakin Patel**. Together, we're curating a collection that encapsulates the essence of sophisticated and tasteful living, a testament to our unwavering commitment to elevate our customers' experiences.*

Our strategic partnerships with major platforms such as Amazon, Flipkart, Pepperfry, Ajo, Nykaa, among others, have played an integral role in introducing exclusive web ranges to the market. This, paired with our relentless pursuit of innovation in areas such as providing authentic and accurate product information, key vendor partnerships, and customer relationship management, underscores our commitment to delivering an unparalleled online shopping experience.

As we look to the future, our ambition is to fundamentally transform how we bring value to our customers. We are dedicated to ensuring that our product assortment, pricing strategy, and distribution channels stay ahead of customer needs, leveraging market trends and evolving preferences. Furthermore, we are investing in comprehensive training and skill development programs for our employees, equipping them to thrive in the dynamic business landscape.

With an optimistic outlook for both the Indian economy and our brand, we foresee a robust recovery on the horizon. Guided by a clear vision, unwavering determination, and consistent effort, we anticipate a steady growth trajectory through each quarter and beyond, into the forthcoming festive season.

In conclusion, I wish to express my deep gratitude for your enduring support and faith in us. As we look forward to an exciting new era with HT Interiors, we continue to remain focused on creating substantial value for our customers and stakeholders. With a spirit of resilience and enthusiasm, we are prepared to navigate the future, transforming every challenge into an opportunity.

**Mahesh Shah**  
Managing Director



COMING SOON!



## *Awakening Tasteful Living*

HT Interiors is built upon the core brand thought of '*Awakening Tasteful Living*'. To awaken tasteful living is to plant a seed of tastefulness in the consumer's mind facilitating the consumer to discover their unique aesthetic style and bring different design sensibilities into coherence. We want to go beyond mere home upgrades and instead, ignite a new perspective on living spaces. We believe in the power of design to express individuality and provide endless possibilities for shaping & defining homes. Our expert interior designers, empower our clients to explore & discover their own design sensibilities, thereby, creating homes that reflect our client's unique personality & taste. With our carefully curated collection by the renowned designer & HT Interiors *Creative Director, Pinakin Patel*, we aim to elevate homes by democratizing design & making it truly accessible.



Mr. Pinakin Patel  
Creative Director, HT Interiors





# BOARD OF DIRECTORS



**Mr. Harminder Sahni**  
Non-Executive - Independent Director & Chairman

A N S R



**Mr. Mahesh Shah**  
Managing Director

A C R



**Mr. Jacob Mathew**  
Non-Executive - Independent Director

A N S C



**Ms. Anou Singhvi**  
Non-Executive - Independent Director

A C



**Mr. Samson Samuel**  
Non-Executive - Non-Independent Director

N S



**Ms. Lynette Robert Monteiro**  
Non-Executive - Non-Independent Director

A Audit Committee  
 Nomination & Remuneration Committee N      S Stakeholders Relationship Committee  
 Risk Management Committee R      C Corporate Social Responsibility Committee  
 ● Chairperson    ● Member

Brief profile of the BOD of the Company is available at following link:  
<https://www.praxisretail.in/our-team.html>

# CORPORATE INFORMATION

## Mr. Harminder Sahni

Non-Executive-Independent Director  
DIN: 00576755 (Chairman w.e.f March 14, 2023)

## Mr. Mahesh Shah

Managing Director  
DIN: 01488017

## Mr. Jacob Mathew

Non-Executive-Independent Director  
DIN: 00080144

## Ms. Anou Singhvi

Non-Executive-Independent Director  
DIN: 07572970

## Mr. Samson Samuel

Non-Executive -Non-Independent Director  
DIN: 07523995 (w.e.f. March 14, 2023)

## Ms. Lynette Robert Monteiro

Non-Executive-Non-Independent Director  
DIN: 07901400 (w.e.f. April 13, 2023)

## Ms. Avni Biyani

Non-Executive Non -Independent Director  
DIN: 02177900 (upto December 8, 2022)

## Mr. Shrirang Sarada

Non-Executive Non-Independent Director  
DIN: 00576667 (upto March 21, 2023)

## Mr. Samir Kedia

Chief Financial Officer

## Ms. Sanu Kapoor

Head Legal & Company Secretary  
(w.e.f March 23, 2023)

## Ms. Smita Chowdhury

Company Secretary & Compliance Officer  
(upto March 02, 2023)



## REGISTERED & CORPORATE OFFICE

iThink Techno Campus,  
Jolly Board Tower D,  
Ground Floor, Kanjurmarg (East),  
Mumbai – 400042, Maharashtra  
Tel: +91-22-6882 4900  
Fax: +91-22-6882 4801  
Website: [www.praxisretail.in](http://www.praxisretail.in)

## INVESTOR EMAIL-ID

[investorrelations@praxisretail.in](mailto:investorrelations@praxisretail.in)

## CORPORATE IDENTITY NUMBER

L52100MH2011PLC212866

## DATE OF INCORPORATION

January 31, 2011

## STATUTORY AUDITORS

M/s. Singhi & Co.  
Chartered Accountants  
(Firm Registration No. 302049E)

## SECRETARIAL AUDITOR

Anant Gude & Associates  
Practicing Company Secretary  
ACS No. 7219 / CP No. 18623

## ISIN OF THE COMPANY'S EQUITY SHARES OF Rs. 5/- EACH

INE546Y01022

## DEPOSITORIES

National Securities Depository  
Limited (NSDL)  
Central Depository Services (India)  
Limited (CDSL)

## BANKERS

RBL Bank Limited  
State Bank of India

## SHARE TRANSFER AGENT

Link Intime India Private Limited  
C-101, Embassy 247, LBS Marg,  
Vikhroli (West), Mumbai - 400083  
Tel. No. + 91 22 4918 6000  
Fax No. + 91 22 4918 6060  
website: [www.linkintime.co.in](http://www.linkintime.co.in)

## STOCK EXCHANGES WHERE THE COMPANY'S EQUITY SHARES ARE LISTED

BSE Limited (BSE)  
National Stock Exchange of India  
Limited (NSE)

# MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion & Analysis (MDA) provides a complete overview of the financial position through the financial statements and a summary of our business performance and the eco-system it operates in. Management Discussion and Analysis comprises of:

- Economy Overview
- Industry Overview
- Overview of Indian Home Furniture Market
- Opportunities and threats
- Business / Operational Overview
- Human Resources
- Risks and Internal Adequacy
- Internal Control Systems and their Adequacy
- Performance Overview

Some of the statements in this MDA may be forward-looking. The future performance of such statements may differ from those stated in the MDA. Such probable difference can be on account of various factors such as changes in the macro-economic environment, Government regulations, tax regimes, impact of competition, and demand-supply constraints.

## **ECONOMY OVERVIEW**

2022-23 was a roller coaster ride for the global economy when global uncertainties were rife. Barely had the pandemic receded, and the war in Ukraine broke out in February 2022. Prices of food, fuel and fertiliser rose sharply. As inflation rates accelerated, central banks of advanced countries scrambled to respond with monetary policy tightening. Many developing countries, particularly in the South Asian region, faced severe economic stress as the combination of weaker currencies, higher import prices, the rising cost of living and a stronger dollar, making debt servicing more expensive, proved too much to handle.

## **INDIAN ECONOMY**

However, 2022-23 was special for India. 2022 marked the 75th year of India's Independence. India became the world's fifth largest economy, measured in current dollars. In June-23, Finance Ministry stated that the nominal GDP of India has reached US\$ 3.75 trillion. For the entire fiscal 2022-23, the growth rate

came in at 7.2 percent (which is 200 basis point higher than earlier estimates) underscoring the country's economic resilience amid geopolitical conflicts and global headwinds. This follows an 8.7 percent growth in the previous financial year. Indian economy is identified as a bright spot in the global economy. The rise in consumer prices has slowed considerably. The annual rate of inflation was below 6 per cent. Wholesale prices rose at a rate below 5 per cent. The country's goods exports touched USD 447 billion till the last count for 2022-23 fiscal year as against USD 422 billion in 2021-22. The export of goods and services during the financial year 2022-23 is up more than 14 per cent compared to previous financial year. Although the high oil price this year compared to last inflated India's import bill and caused the merchandise trade deficit to balloon, concerns over the current account deficit and its financing have ebbed as the year rolled on. Foreign exchange reserve levels are comfortable and external debt is low.

India had a good monsoon, and reservoir levels are higher than last year and the 10-year average. The fundamentals of the Indian economy are sound as it enters into goldilocks period. Policies pursued carefully and consciously have ensured that the recovery is robust and sustainable.

## **OUTLOOK**

According to IMF, emerging markets are going to contribute four-fifth of global growth this year, with India alone expected to play the role of a global growth engine with more than 15 per cent. The Indian economy is predicted to grow at 6.3% in FY24 which may go upto 7% if the Global uncertainties recede. The average inflation (Consumer Price Index) is expected to stay around 5.2 percent, which is below the upper tolerance band. Industry is predicted to outperform other sectors with 6.8% real GDP growth. Service sector is expected to maintain its growth momentum at 6.6%. With enhanced capex by Government of ₹10 lakh crores as announced in the last union budget, the strong private consumption and investment is expected to push the growth momentum further and boost demand. However, the downside risks emanating from the potential spike in oil prices and the weak global environment due to ongoing geopolitical crisis in Ukraine need to be considered.

## INDUSTRY OVERVIEW

### Indian Retail Industry

The Indian retail industry is the world's fifth-largest retail destination. According to the latest IBEF study, the sector contributes 10% of India's GDP and employs over 8% of the population. The retail industry in India works around four retail formats which comprise, Exclusive Branded Retail Shops, Multi-Branded Retail Shops, Convergence Retail Outlets and E-Retailers. The competitive landscape in the Indian retail sector is structured with Departmental stores, Hypermarkets, Supermarkets, Cash and Carry stores and Specialty Stores. With numerous new entrants, particularly in the retail tech space, the sector is becoming faster paced than ever.

### Indian Organised Retail Industry

The Indian Retail Sector has been largely dominated by traditional retail formats and kirana outlets. India's retail sector is experiencing exponential growth with retail development taking place not just in major cities and metros, but also in small cities. Healthy economic growth, changing demographic profile, increasing disposable income, urbanisation, and changing consumer tastes and preferences have been some of the factors driving growth in the organised retail market in India. With the shift in consumer preferences and the limitations imposed by the COVID-19 pandemic, organised retail has boomed in the country. Organised retailing encompasses selling goods or merchandise all under one roof in a fixed location such as a departmental store, hypermarket, supermarket or even a convenience store.

As per India Retail and E-commerce Trends report by Wazir Advisors and Unicommerce, while modern brick-and-mortar retailers accounted for about 12% of the total annual market, online retailers have captured about 6.5% of the yearly business during FY22. pandemic served a severe blow to India's physical retailing business in fiscal year 2021 that led the brick-and-mortar retailing in the country to shrink by 8.5% that year. With the pandemic receding, the economy in revival mode and over 1.8 billion vaccinations done in India, the retailers have experienced increased footfalls across high streets and malls. The onset of pandemic, evolved the consumer behaviour towards 'conscious buying', resulting in a major shift in consumer purchase behaviour across both physical retail and e-Commerce. During the year the top performers like F&B, e-Commerce, pharmaceuticals, and the traditional grocery retailers witnessed steady growth despite disruptions across the economy.

As the perception of the Indian retail sector transforms, retailers continue to alter their store models to meet the demands of diverse customers across markets and geographies. The pandemic has prompted retailers to experiment with emerging trends like digitally enhanced experiences, pop-ups, omni-channel commerce, and so on. With high-street and shopping centre businesses reviving, merchants are rethinking and realigning their business strategies to suit the demands of customers who are continually exposed to the growing online shopping experience.

### Outlook

The Indian retail industry is predicted to witness a CAGR of 8-9% from FY21 to FY26 reaching \$1,250 billion in FY26, primarily owing to the hybrid distribution model and omni channel approach. In the new retail environment, customer insights have become incredibly valuable. While technology has significantly transformed supply chain, production, and retail sales, an unified picture of the customer is vital for retail organisations, whether it's for customisation of services or presence across multiple channels. (Source: Bain And Company Research)

The overall outlook for the Indian retail real estate market remains positive, thanks to a ramped-up vaccination campaign, policy reforms, and rising urbanisation. According to a study by IBEF, the organised retail sector in India is anticipated to expand at a CAGR of 20-25% every year going ahead. A consumption boom is driving substantial development in Indian retail. Indian retail is being driven by significant increases in disposable income, increased focus on hygiene and changing lifestyles. Easy borrowing and the usage of 'plastic money' have contributed to India's robust and rising consumer culture. Consumer acceptance and use of E-retailers is growing as a result of ease and safe financial transactions. Furthermore, with the renewed demand and bounce back of retail, a number of international brands both in the retail & the F&B sectors are showing interest in the country's retail landscape. This would contribute to the overall sectors' growth going forward.

### OVERVIEW OF INDIAN HOME FURNITURE MARKET

The Indian home furniture market was valued at USD 19.07 billion in 2022. It is expected to reach USD 33.58 billion by 2028, registering a CAGR of 9.89% during the period of 2022-2028. The living room furniture segment held the highest market share of 43.3% in 2022, followed by the bedroom furniture segment

(26.2%) and the kitchen furniture segment (15.3%) in the same year. The demand for residential furniture is increasing by the orders from contract customers. The number of single- and two-person households has been increasing, resulting in the demand for small and portable furniture. Factors such as growth in the residential construction market, rising internet penetration, the rising popularity of eco-friendly products, and lifestyle changes are contributing to the growth of the home furniture market.

The key factors driving the increase in demand for home furniture in India include growing housing and commercial construction and an increase in income levels that influence customers to adopt global lifestyle options, especially in affluent urban Indians. In terms of age bracket, the age group of 25-35 years has been considered as the prime target group by furniture retailers in India. Based on cities, most of the demand for furniture products from organized companies has originated from tier-1 cities. The furniture industry in India employs about 300,000 workers. In terms of structure, the sector remains mostly inward-oriented and extremely fragmented, with unstructured companies corresponding to about 85% of manufacturers.

Some of the major furniture brands in India include Godrej Interio, Hometown, Nilkamal, Durian, and Wipro. With the fast-growing and transforming retail sector, it is expected that large retailers will continue to expand their presence on e-commerce platforms, and various furniture companies, such as Pepperfry, Urban Ladder, Hometown.in and others, are creating huge demand from online channels. Imports and exports also play a major role in the Indian home furniture market, and imports have formed a significant portion of the products sold to the upper-middle-income class and higher-income class of Indian society. The trend of purchase of small furniture items, such as bean bags and coffee tables, through online portals has gradually changed to higher volume sales of heavy furniture products. The average ticket size for online purchases of furniture products has been observed to be between ₹10,000 and ₹15,000 in the past few years.

Two megatrends driving the demand for online furniture were the increased digitization and growing share of urban millennials. However, in today's scenario, with people spending a significantly substantial time indoors in the wake of the COVID-19 pandemic, there has been a rise in the demand of

various home improvement products. Amongst the most frequently purchased bestsellers were tables and chairs. However, consumers also increased their purchases of dining tables and couches, and the bulk of these purchases happened online. India imports between USD 600 million and USD 800 million of furniture every year. Higher duties may nudge many entrepreneurs into furniture manufacturing and build stronger local brands. The union budget of 2020-21 tried to promote a "level playing field for domestic producers" and hiked customs duty on some furniture categories from 20% to 25%.

The market is also witnessing increased investment activity, especially in terms of international players. With a planned investment of ₹ 6,000 crore by 2030 in Maharashtra, IKEA aims to open two more city center IKEA stores, which will provide over 6000 jobs, of which 50% will be for women.

## **MARKET DRIVERS**

### **Growth in Residential Real Estate in India**

The Indian residential real estate market has been witnessing growth, owing to the increasing population, and growing demand for affordable housing accommodation. Major metropolitan cities, such as Delhi, Mumbai, Kolkata, and others, have also showcased the rising demand for luxury housing complexes, such as villas, penthouses, and apartments, in the past few years. The growth in the residential real estate industry over the last few decades has given an impetus to the home furniture market. This has augmented the need for home furniture, such as sofa sets, dining sets, beds, and chairs, which is further expected to witness growth in the upcoming years as well. Traditionally, the Indian consumer's focus on fancy furniture and furnishings was restricted to the living room. However, growing aspirations and incomes have changed spending patterns, and these changes are spilling over into other living areas, including the kitchen, the dining room, and even the bedroom.

The Indian real estate sector is undergoing a revival, as the transaction volumes have increased by 45-60% annually, in the major cities. The government is also encouraging real estate activities in the country and has introduced various initiatives, such as the government's flagship scheme Pradhan Mantri Awas Yojana (PMAY), launched in June 2015 which aims to build about 12 million urban houses and 29.5 million rural houses by 2022 and "The Smart City Project", which is an ambitious plan to build 100 smart cities in

India. The development in the housing sector and the rapid growth of metro cities are changing the living standards and lifestyle of the population and are further propelling the need to purchase new furniture products.

With homes growing smaller and the population exploding, there has been a surge in demand for space-conscious goods. Multi-functional furniture & homewares is growing in popularity to offer added convenience and make far better use of available household space. The market's growth has been driven by socio-economic changes, a large base of young population with high disposable incomes, and the will to spend on improved lifestyles.

### **Growing Demand for Luxury Furniture Products**

The growing emphasis on improved and more trendy home decor is encouraging consumers to opt for unique and designer furniture products. This is further supported by the economic growth and high disposable income of consumers. High-end furnishings and designer furniture are largely preferred in upper-class households. Many international players are also entering the market target this segment. For instance, Versace tapped the luxury furniture segment in India in 2019 as a part of the expansion plan of its luxury portfolio in the country with the addition of furniture.

Similarly, in July 2022, Pia Johnson, one of the hospitality and lifestyle industry leader and former director of Indiabulls, revealed plans to expand the presence of her designer furniture brand 'Ikaigai' across India.

### **OPPORTUNITIES**

#### **The Rise in E-commerce Retailing**

The rise in the e-commerce industry has contributed to the increase in the online furniture industry in India, and e-commerce is changing the way products are developed and shipped. Work from home has further augmented the market growth and has brought the increased focus of consumers on home-décor. With home spaces also doubling up as work zones, there has been a subsequent increase in demand for furniture, especially in categories, such as living room seating like recliners, and bean bags. Bedroom furniture, such as beds and mattresses. However, the categories witnessing the highest growth online are tables and desks.

### **Growing Adoption of Local Furniture Products**

As India aims at becoming a global manufacturing hub, there has been a major policy push, with initiatives like 'Make In India' and 'Vocal for Local' etc., that has given a boost to the manufacturing sector, including furniture manufacturing. As per the Make in India initiative, the Indian government aims to increase the share of the manufacturing sector in the country's GDP to 25% by 2025. A lot of Indians are now preferring to buy Indian made products over Chinese products owing to the 'vocal for local' initiative, which is reflected even in furniture products. Banking on the growing adoption for Made-In-India goods, companies, like Jaipur based Wooden Street, offer customized local furniture with all its raw materials sourced locally, and manufactures the furniture in-house, with delivery centers present in over 100+ cities.

### **THREATS**

#### **Volatile Raw Material Costs**

Even under the best of circumstances, the costs of raw materials always represent an issue for furniture manufacturers. With the pandemic and a global trade war growing more intense, volatile raw material prices, which pose distinct challenges, are expected to pose further challenges in the foreseeable future. The raw materials and other input costs are anticipated to rise further and face volatility. The impact of the pandemic and the subsequent lockdown resulted in issues ranging from production loss to severe scarcity of labor and raw materials. Furthermore, the closure of some production plants due to the pandemic has also resulted in the prices of raw materials increasing.

### **BUSINESS/OPERATIONAL OVERVIEW**

Our Company operates brick and mortar stores of home furniture and home fashion in the brand name of HomeTown and caters to home retail segment in India. This retail format brings together under one roof, a wide range of furniture (both office and home furniture), home furnishing goods, kitchenware, other home related accessories and quality services including complete home design, modular kitchen among others, giving customers a great in-store experience. In addition, an exciting range of accessories, such as clocks, wall hangings and décor make it a complete one stop shop for all home needs. As on March 31, 2023, HomeTown has a pan India presence with 33 stores, across 24 cities in India. Our Company also operates a web portal for online sale of our products through the website [www.hometown.in](http://www.hometown.in) and also has its presence on the



major e-commerce market places in India through which our Company sells a wide range of products across furniture, furnishings, décor, tableware and kitchenware.

### **OUR COMPETITIVE STRENGTHS**

We believe that our primary competitive strengths include the following:

#### **Experienced professional management team and motivated workforce**

Our business is consumer driven. Our experienced professional management team has helped us to offer high standards of customer service and a pleasant shopping experience. Our management team consists of a team of professionals with relevant domain expertise and retail oriented functional specializations. Further, our management team has been able to complement our expansion with the ability to create adequate systems and processes. Our management team is complemented by a committed work force that enables us to operate, synergies and integrate our front-end and back-end operations efficiently. Our human resources policies aim to create an engaged and motivated work force, which is essential for our success. We believe in continuous development and have invested in our employees through regular training programmes to improve skills and service standards, enhance loyalty and increase productivity.

#### **Robust sourcing capabilities**

Driven by the wide scale of operation and an experienced management team, our business reflects robust sourcing capabilities across categories of our portfolio. In addition, HomeTown maintains an extensive supplier network, both in local and foreign markets. With a wide vendor network, HomeTown ensures best quality products for entire product portfolio. HomeTown works with different vendors across India to source furniture and home furnishing products. In addition, we have put in place effective quality control measures, by a centralized quality control team. Furniture, Stock Keeping Units (SKUs) are approved post a comprehensive quality screening process wherein sample for each SKU is sent to quality control team pre-dispatch. HomeTown has an experienced team which has expertise in both domestic and international sourcing. Our dedicated quality assurance team in Malaysia and China (major sourcing hubs) also helps in accelerating the new product development.

With our past experience in home retail business, we have developed an understanding of the retailing of furniture and furnishing business in India. We believe that our insights into consumer behavior have contributed to the development of a distinguished retail format. This insight has also enabled us to strategize, develop and promote new products to cater to the evolving needs of an Indian consumer.

#### **Cost effective and efficient logistics network**

With our past experience, we believe we have been able to develop a supply chain which assures quality and cost effectiveness along with faster delivery. We are able to source products internationally and deliver it to customer's home in a cost effective manner.

Hometown has efficient last mile delivery and assembly capabilities. Through our different initiatives such as special trolleys designed and made for handling expensive marble top dining sets and equipping our last mile delivery vehicles with foam, which we have undertaken in the past, we are able to minimise our warehousing and last mile delivery damages. Further, we have experienced assembly personnel who have expertise to carry out assembly with assured quality and minimise the damages which generally happen due to improper fitting.

We are able to deliver our fast-moving products to our customer's home by effectively utilizing our regional distribution centres. We also offer quick delivery of our homeware and small furniture items by utilizing our stores as shipping points.

#### **Extensive supplier network enabling procurement at predictable and competitive pricing**

We sell a wide range of furniture home furnishing and home decor products across our product categories. We focus on using our deep understanding of the markets in which we operate to customise our product assortment in each store keeping in mind local demands and preferences. We also continuously focus on enhancing our products that we carry.

Our procurement team conducts detailed research on an ongoing basis to locate the best product sources, in relation to both quality and price. We have an extensive network of suppliers and we endeavour to source our products from regions where they are widely available or manufactured to minimise our procurement costs. We operate a standardised procurement system and procure most

of our products on a purchase-order basis ensuring procurement flexibility at competitive prices. Our sustained efforts to improve our strong supplier network have led to an efficient supply and sale cycle.

Over the years, our business model has remained responsive to supply and demands disruptions. We believe that differentiated combination of integrated sourcing, distribution and demand fulfilment, sets us with unique business position. Our business maintains sourcing ties with manufacturers both in India and overseas to obtain the most compelling product offering for aspirational Indian consumers. The interconnectivity of the regional distribution centers, city distribution centers and the central warehouse ensure that the products reach the consumers, safely and timely. As on March 31, 2023, we have 21 distribution centers with pan India coverage and one central warehouse at Nagpur. The business reaches the target customer base through a wide retail base. A mix of strong back-end processes and persuasive in-store communication delivers a unique customer experience. We believe that due to the scale that we have achieved over the past years, we have been able to understand and implement the relevant processes to make our front end and back end functions and execution capabilities efficient. We have been able to increase the scope of our operations at a consistent pace and provide efficient and convenient offerings to our consumers. Further, due to our scale and presence across India, we have been able to develop processes that enable us to offer competitive deals to our consumers.

#### **Omni-channel solution using IT Systems**

Taking into consideration the changing landscape of the retail industry across the world, we have put together an omni-channel view of our customers at every touchpoint. Our customer identification process begins from identifying our existing customers both at physical stores and online stores or tagging new customers at each of these channels. This coupled with a centralized view of customer's product-preference from both these channels forms the bedrock of our customer journey that has been put together by a robust omni-channel platform built on Salesforce software.

Our enterprise application platform coupled with our Business Intelligence (BI) solution provides an integrated view of our data thereby aiding procurement and replenishment planning. Built on the mission of being a stakeholder centric

organization which in turn includes both our key stakeholders namely customers and suppliers, it has helped us in serving our customers in the furniture space with delivery Turn Around Time (TAT) of 72 hours only for our bestselling furniture in SKU's.

#### **Sizeable online presence in furniture space including on e-commerce market places in India**

Our online direct to customer sales are made through our e-commerce portal [www.hometown.in](http://www.hometown.in). We have been operating this website and have established a sizeable foothold in the online furniture space. Our e-commerce website [www.hometown.in](http://www.hometown.in) is developed using the modern technologies and is maintained and supported by an efficient team of engineers and technicians. We provide a very unique feature of 'Live video' demonstration, through which a consumer can complete their shopping from the comfort of their homes. Once a customer avails this option, a sales person through video call will give a live demonstration of the products thus aiding the customers in making the buying decision. We provide an omni-channel experience to our customer, by virtue of which when a customer walks to a store and selects some products, it gets added to customer's cart on HomeTown.in. Thereafter the customers can go back to their home, show the products to the family members and then make eventual purchase.

We also sell products through major e-commerce market places in India. We have optimized our supply chain for faster delivery for both our e-commerce and physical store operations. In addition to faster deliveries, we have capability to get the product assembled within 24-48 hrs of delivery thus leading to customer delight.

#### **Our Brand**

HomeTown offer trendy, affordable home products and solutions to Indian consumers. Our brand is known for high-quality, thoughtful design, competitive pricing and great experience. Our customers come to us for thoughtfully designed, functional products that are built to last, and that represents the true value of what our brand has to offer.

#### **OUR STRATEGIES**

##### **Increasing our consumer base through consumer loyalty and expansion of our operations**

We intend to enhance our consumer base through continuously increasing our presence (both physical and online channel) in various cities across India and drive spending across various product segments. We

are specifically focusing to achieve a larger share of consumption spending in our existing markets. As on March 31, 2023, we are operating with 33 stores in 24 cities and have presence on major e-commerce market places. We intend to increase our share in the consumer spending in India by adding categories to our existing product range to cater to consumers across Indian society in various home consumption spaces. We also plan to increase our presence online by including additional pin codes where the consumption patterns are promising.

Further, we intend to continuously increase our presence by identifying properties that we believe may be viable retail property spaces at strategic locations and enter into arrangements to lock such properties for our format to be launched in the future.

**Continue improving our operating efficiency and supply chain management**

Our business model and pricing strategy require us to maintain high levels of operational efficiency on a consistent basis. Further, we believe that supply chain management is critical to our business. Our supply chain management involves planning, merchandising, sourcing, standardization, vendor management, logistics, quality control, pilferage control, replacement and replenishment. We are, and will continue to consolidate our supply chain network to improve the inventory by improving stock movement, replenishment and fill rates.

We plan to further improve our operating efficiency and ensure efficient supply chain management by:

- continuing to refine our store operating systems based on the performance of our stores and feedback from our customers and local management teams;
- continuing to restructure the look-and-feel of the store with visual merchandising ensuring excellent in-store customer experience;
- investing further in our IT and data management systems to improve productivity and time savings thereby increasing our operating efficiency;
- continuing to strengthen our relationships with our suppliers through cooperation and closer coordination;
- expanding and upgrading our existing distribution centres to improve the efficiency of our inventory and supply management. We will continue to open new distribution centres in

strategic locations to serve our existing and new stores when it is cost effective and efficient to do so; and

- continuing to absorb best industry practices.

**Expand our product portfolio and prioritize customer satisfaction through optimal product assortment**

Our store format offers wide range of products for home furniture and furnishing segment in India. We believe with our product offerings, our format has reached a critical mass and is being accepted amongst consumers. Our operations are closely connected with the consumer preferences and changing choices and accordingly, it is imperative for us to forecast and continuously identify the changing demands of our consumers. Towards this end, we have, and intend to continue to identify and evaluate consumer demand across regions and expand our product portfolio in terms of new brands and new products, in home retail business. In order to accomplish objective, we believe that we have a talented in-house team of designers who help with product creation right from the ground level, co-create products with our vendor design team and also visit trade shows and buy the best products for HomeTown customers. Our designers are guided by 3 principles –

- Design sensibility of our customers;
- Price point acceptable to our customers; and
- Global design trends.

**Continue to develop talent and skilled workforce and inculcate good business practices**

We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We have been successful in building such a team and intend to continue placing special emphasis on managing attrition and attracting, training and retaining our employees. As of March 31, 2023, we had 831 employees on roll who are working in different functions, we intend to recruit best available talent across various industries, train them as per our value system and provide them opportunities to learn, experiment and innovate.

We intend to continue to encourage our employees to be enterprising and contribute constructively to our business through effective training and management. Pursuant to our focus on effective training of our employees, we undertake various internal training

programmes. Our HR policies focus on improving employee retention and their engagement level in the Company. We have also initiated diversity and gender inclusion hiring to promote positive employee experiences

### **Advanced and scalable technology for online retail segment**

We believe that our advanced technology enables us to support a diverse range of products and services and provide complex, modular and customizable e-commerce solutions on a scalable platform capable of implementing large transaction volumes with minimal downtime. Our technology enables us to effectively offer our services across multiple media, channels and customer interfaces including digital downloading and streaming services, and providing application framework solutions for supply chain and inventory management. Our hosting and technology platform, incorporates digital product catalogue, content management, promotions handling, access to payment gateways, as well as inventory and logistics management, and is capable of being integrated into the vendor's IT infrastructure and third-party configurable software.

### **OUR PRODUCTS**

We offer diversified and wide range of products in Furniture (Living, Dining, Bedroom, Essentials and Office), Homeware (Furnishings, Tableware, Décor, Kitchenware), Home Improvement (Shower solutions, Bath Tubs, Vanities, Accessories) and Electronics. We also offer end to end Modular solutions (Modular Kitchens, Kitchen accessories, Modular wardrobes, Wardrobe accessories) and customized interior solutions (design and build) with latest design, focussing on ease of operations and style. All this combined with fine execution capabilities at a reasonable price makes an unmatched value proposition to the customer.

### **OUR STORES**

As of March 31, 2023, we operate our business through 33 stores spanning across 24 cities. We do not own any of the property from which we operate our stores and the same is taken on lease through various arrangements that include lease, leave and license.

### **OUR PROCESS AND MARKETING APPROACH**

Our marketing efforts are focused on driving a seamless and frictionless experience to our customers across channels and platforms. We are distinctly positioned to allow customers to shop

how, where and when they want, and we believe our brand should be everywhere our customer is. From the moment our customer engages with our brand, whether in-store, on the website, on social media, newspaper ad or on-ground event, the overall experience communicates the brand's promise.

Our marketing strategy is mapped to the customer journey and we actively engage with our customers across the marketing streams - from awareness to purchase and beyond through traditional channels (print, radio, billboards) and new media platforms (digital, social media, mobile-marketing and email-marketing). Our marketing efforts are focused on customer acquisition through sales and product promotions, and on customer retention through personalized content and product recommendations.

### **INTELLECTUAL PROPERTY**

Pursuant to the scheme of Arrangement between Future Retail Limited and Bluerock eServices Private Limited (the transferor companies), the "HomeTown" business undertaking and e-commerce business of the respective transferor companies were transferred to Praxis Home Retail Limited (the Company) by virtue of the order dated November 10, 2017 passed by the National Company Law Tribunal (NCLT), Mumbai bench. The said order of the NCLT was effective from November 20, 2017. Pursuant to the aforesaid order, trademarks and associated logos of "HomeTown" brand across various classes including 20, 21, 24, 27, 35, 37, 40, and 42 were transferred in the name of our Company. As on the date, we are the registered owners of 12 trademarks.

### **COMPETITION**

The home retail market in India has become increasingly competitive in recent years. We face competition from various other retailers that operate stores in formats similar to ours as well as those retailers who sell retail products similar to the ones sold by us through small retail stores. These include standalone stores in the organized and unorganized sector, as well as other chains of stores including departmental stores. We face significant competition from the online retailers across home retail categories which led to a fragmented and highly competitive ecommerce market in India. However, we believe that with a nation-wide network of stores and our sizeable online presence through our website [www.hometown.in](http://www.hometown.in) and major e-commerce market places, provide us a competitive edge.

## **INFORMATION TECHNOLOGY (“IT”)**

Our entire IT landscape is built to recognize the same customer at every touchpoint and offer a single view of the transaction history to every frontline staffs interacting with the customers, be it store-staffs or customer service personnel. This spawned an integrated IT architecture created in tandem with various other subsystems.

In addition to the customer journey, we have a robust business intelligence platform that provides an end-to-end analytical capability covering sales management, inventory management and operations. The span of integration done with Manthan also ensures predictive analysis.

Our online store [www.hometown.in](http://www.hometown.in) is built on a custom solution developed on REACT. This is tightly coupled with all our enterprise applications thereby offering a single view of all transactions, irrespective of the point of origination i.e., online sales or even offline sales.

## **HUMAN RESOURCES**

Human Resource is one of the critical support functions and forms another key element of the corporate backbone. As of March 31, 2023, we had 831 employees on roll located at head office, zonal offices, retail stores across the Country. Further, we also have employee persons on contract basis from time to time.

Our Company has a dedicated human resource team which takes care of acquisition, development and retention of skills and talent in a way that supports the accomplishment of our Company’s goals and objectives. Our Company believes in creating a culture and environment that allows it’s people resources to utilize their skills, knowledge and leadership abilities and collectively in serving the consumers. We have employee initiatives that promote work life balance and this goes a long way in boosting a positive culture. Some of these initiatives are birthday leave, bereavement leave along with financial support in case of a section of employees and focus on health and well being. We encourage performance and that is most evident in the various incentive programmes that we run at the store level. We strongly believe in equal opportunity and platforms for growth. While looking at filling vacant positions – internal employees at Praxis are given preference. Our robust and comprehensive Induction program, timely and seasonal product trainings,

yearly career progression trainings are juxtaposed to the other behavioural, technical and functional training interventions that take place throughout the year.

The disclosure under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal Act, 2013) has been covered in the Board’s Report forming part of this Annual Report 2022-23.

## **RISKS AND INTERNAL ADEQUACY**

**Risk and Concerns:** The Company recognises that risk is an inherent part of every business. The current economic environment in combination with significant growth ambitions of the Company carries with it an evolving set of risks. Company recognises that these risks need to be managed to protect its customers, employees, shareholders and other stakeholders in the society to achieve our objectives and ensuring sustainable growth of the business. Key risk areas are periodically reviewed by the Senior Management of the Company.

Nevertheless, the Company periodically reviews risks, and provide an integrated approach for identifying, assessing, mitigating, monitoring and reporting of various risks associated with the business of the Company.

The Audit Committee has been entrusted by the Board with the primary responsibility to monitor and review risk management, assessment and minimization procedures and to develop, implement and monitor the risk management plan and identify, review and mitigate all elements of risks which the Company may be exposed to. During the year under review, the Company has voluntarily constituted a Risk Management Committee to mitigate the risks involved with foreign exchange exposure.

Further, the Audit Committee has delegated the Internal Auditors with the role of risk management, assessment and minimization procedures and also periodically reviews with them the existing procedures and measures to improvise the same.

The Company has in place adequate internal financial controls with reference to financial statements and proactively tracks all changes on the regulatory front and make sure our systems and processes are in compliance of the same. The general economic and political conditions in India, Indian monetary and fiscal policies, state of the economy also have

impact on our business. An important element of our business is our procurement strategy which is largely import oriented. The Company closely tracks developments in this area and taking proactive steps to mitigate risks arising as a result of any import related policy changes.

### Insurance

We have insured our stores and warehouses against fire & allied risks and our stocks against burglary and theft risks. We also have insurance policies in respect of marine cargo, money policy, fidelity policy, group personal accident policy, and medi-claim policy.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls and risk management processes that are commensurate with the nature of business, and size and complexity of its operations.

Appropriate internal control policies and procedures are designed to ensure sound management of our Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance and have been set up to provide reasonable assurance on:

- Effectiveness and efficiency of its operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations

The compliance with these policies and procedure is ingrained into the management review process. Deviations from laid-down processes and policies are addressed through systemic process. The Company continuously assesses effectiveness of its internal controls across multiple functions and locations through internal audit. Standard operating procedures have been laid down for important processes across functions. The internal audit program, significant audit findings, adequacy of internal controls and the financial and risk management processes are regularly reviewed by the Audit Committee. Proactive steps are taken to ensure compliance with various upcoming regulations by the Compliance team. The Company also encourages the employees to adopt fair, compliant and ethical practices. Praxis continues to stay committed to the areas of control and compliance, to ensure the highest standards of governance.

## PERFORMANCE OVERVIEW

### Review of Financial Performance of the Company for the year under review

Your Company's Audited Financial Statements are prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended. Your Company has made a loss of ₹ 2,101.39 Lakhs as per Audited Financial Statements for Financial Year ended March 31, 2023.

### Review of the Financial Performance

#### Total Revenue

Total revenue for the Financial Year ended March 31, 2023 (FY 2023) was ₹ 39,541.66 Lakhs as compared to ₹ 48,103.68 Lakhs for the Financial Year ended March 31, 2022 (FY 2022), representing decrease of 17.80%.

Total Expenses: Our total expenditure for the FY 2023 was ₹ 44,753.33 Lakhs as compared to ₹ 46,680.12 Lakhs for the FY 2022, representing a decrease of 4.13%.

#### Total expenditure comprises of:

##### Purchase of Stock-in-Trade

The purchase of stock in trade for the FY 2023 was ₹ 16,317.61 Lakhs as compared to ₹ 27,934.79 Lakhs for the FY 2022, representing decrease of 41.59%.

##### Changes in Inventories of Stock-in-Trade

The changes inventories of stock-in-trade – (Increase)/Decrease for the FY 2023 were ₹ 7,331.00 Lakhs as compared to ₹ (4,193.46) Lakhs for the FY 2022.

##### Employee Benefit Expenses

Employee benefit expense for the FY 2023 was ₹ 6,036.86 Lakhs as compared to ₹ 6,571.23 Lakhs for the FY 2022, representing decrease of 8.13%.

##### Finance Costs

Finance costs for the FY 2023 was ₹ 2,175.98 Lakhs as compared to ₹ 2,302.79 Lakhs for the FY 2022, representing a decrease of 5.51%.

##### Depreciation and Amortization Expense

Depreciation and amortization expense for the FY 2023 was ₹ 3,602.62 Lakhs as compared to ₹ 4,289.34 Lakhs for the FY 2022, representing a decrease of 16.01%.

### Other Expenses

Other expenses for the FY 2023 were ₹ 9,289.26 Lakhs as compared to ₹ 9,775.44 Lakhs for the FY 2022, representing decrease of 4.97%.

### Profit/(Loss) After Tax and Exceptional Items

The profit/(loss) after tax and exceptional items for the FY 2023 was ₹ (2,101.39) Lakhs as compared to ₹ 1,423.56 Lakhs for the FY 2022.

### Financial Review

Financial Results	Standalone for the year ended March 31	
	2023	2022
Turnover (Including other Income) (₹ in Crores)	39,541.66	48,103.68
Return on Net Worth (%)	(21.28)	(17.78)
Net Assets Value per Share (₹)	(2.37)	0.10
Earnings per Share (₹)	(2.79)	2.74

### Details of Significant Ratio Changes

#### Standalone

	2022-23	2021-22	% change	Reason for change
Inventory Turnover (Days)	161	180	-10%	1
Interest Coverage Ratio (Times)	(1.40)	1.62	-186%	2
Current Ratio (Times)	0.75	0.94	-21%	3
Debt Equity Ratio (Times)	(2.97)	107.68	-103%	4
Debtors Turnover (Times)	1.60	0.58	178%	5
Operating Profit Margin (%)	38.74	40.48	-4%	
Net Profit Margin (%)	(13.50)	3.57	-478%	6
Return on Net Worth (%)	(21.28)	(17.78)	-20%	6
EPS (₹)	(2.79)	2.74	-202%	6

#### Note:

1. Decrease was primarily on account of decrease in inventories.
2. Decrease was primarily on account of increase in losses incurred by the Company.
3. Decrease was primarily on account of higher decrease in current assets mainly inventories as compared to decrease in current liabilities.
4. Decrease was primarily on account of negative shareholders' equity on account of losses and decrease in debt.
5. Increase was primarily on account of increase in credit sales.
6. Decrease was primarily on account of losses incurred by the Company during financial year 2022-23.

**Cautionary Statement**

The statements in the Management Discussion and Analysis section describing the Company's objectives, projections, estimates and prediction may be considered as forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the Company's strategy for growth, product development, market positioning, expenditures and financial results, are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievement may thus differ materially from those projected in such forward-

looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement on the basis of any subsequent developments, information or events. To avoid duplication and repetition, certain heads of information required to be disclosed in the Management Discussion and Analysis have been included in the Board's Report.

For and on behalf of the Board of Directors

**Praxis Home Retail Limited**

**Place:** Mumbai

**Date:** May 27,2023

**Mahesh Shah**  
Managing Director  
DIN: 01488017



# BOARD'S REPORT

To  
The Members,

Your Directors are pleased to present the Twelfth Annual Report of Praxis Home Retail Limited ("the Company") together with the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2023.

## FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations	38,604.55	39,889.22
Other Income	937.11	8,214.46
<b>Total Income</b>	<b>39,541.66</b>	<b>48,103.68</b>
Profit / (Loss) before Depreciation and Amortization Expense & Tax expense and after exceptional items	1,501.23	5,712.90
Less: Depreciation and Amortization expense	3,602.62	4,289.34
Profit / (Loss) before Tax and after exceptional items	(2,101.39)	1,423.56
Profit / (Loss) after Tax and exceptional items	(2,101.39)	1,423.56
Other Comprehensive Income/(Loss) for the Year	(61.7)	38.48
Total Comprehensive Income/(Loss) for the Year	(2,163.09)	1,462.04

## FINANCIAL PERFORMANCE

During the year under review, the total income for FY 2022-23 was ₹ 39,541.66 Lakh, lower by 18% over the previous year's total income of ₹ 48,103.68 lakh in FY 2021-22. The Loss after Tax for FY 2022-23 was ₹ 2,101.39 Lakh as compared to Profit after Tax of ₹ 1,423.56 lakh for FY 2021-22.

## DIVIDEND AND RESERVES

The Company has not declared any dividend for the financial year March 31, 2023, and hence no amount is proposed to be transferred to the reserves.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR TILL THE DATE OF THIS REPORT

There were no material changes and commitments affecting the financial position of the Company from the date of closure of the Financial Year under review till the date of signing of this Report except as disclosed in this Report. There has been no change in the nature of business of your Company.

## SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture and associate companies.

## PUBLIC DEPOSITS

The Company has not accepted any fixed deposits from the public and/or Members as such, no amount in the nature of principal or interest on deposits from public and/or Members were outstanding as of March 31, 2023.

## SHARE CAPITAL

During the year under review, the Company had issued and allotted 2,62,000 and 1,00,000 equity shares of face value of ₹5/- each of the Company, pursuant to exercise of stock options by the eligible employees under ESOP Plan 2021 on 11th February, 2023 and 27th February, 2023 respectively. As a result of such allotment, the aggregate paid-up Equity Share Capital of the Company increased from ₹ 37,65,40,560/- divided into 7,53,08,112 equity shares of the face value of ₹ 5/- each fully paid-up to

₹ 37,83,50,560/- divided into 7,56,70,112 equity shares of the face value of ₹ 5/- each fully paid-up and Preference Share Capital of the Company stands at ₹ 6,30,00,000/- only divided into 6,30,000 Preference Shares of the face value of ₹ 100/- each fully paid-up.

Subsequent to the closure of the financial year under review, with the consent of the shareholders by means of Postal Ballot, the Authorised Share Capital of the Company was increased from ₹56,30,00,000 divided into 10,00,00,000 Equity Shares having face value of ₹5/- each and 6,30,000 Preference Shares having face value of ₹100/- each by addition of 5,00,00,000 Equity Shares having face value of ₹5/- each to ₹81,30,00,000 divided into 15,00,00,000 Equity Shares having face value of ₹5/- each and 6,30,000 Preference Shares having face value of ₹100/- each as per the applicable provisions of the Companies Act, 2013.

### CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the SEBI Listing Regulations, Report on Corporate Governance alongwith the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance is annexed to this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis as prescribed under Part B of Schedule V read with Regulation 34(3) of the Listing Regulations is provided in a separate section and forms part of this Report which includes the state of affairs of the Company.

### MEETINGS OF THE BOARD

During the year under review, 5 (Five) Meetings of the Board of Directors were held, details of which are given in the Corporate Governance Report which forms a part of this Annual Report.

### COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Share Transfer Committee

- Committee of Directors
- Risk Management Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Report. Further, during the year under review, all recommendations made by the various committees have been accepted by the Board.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors of the Company hereby confirms that:

- i. in the preparation of the annual accounts for the Financial Year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the Financial Year ended March 31, 2023;
- iii. they have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv. they have prepared the annual accounts for the Financial Year ended March 31, 2023 on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Samson Samuel (DIN: 07523995), Non-Executive Non-Independent Director, is liable to retire by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice. The Directors recommend his re-appointment at the ensuing AGM.

Mr. Samson Samuel (DIN: 07523995) was appointed as an Additional Non-Executive Non-Independent Director of the Company on March 14, 2023. The shareholders approved his appointment by means of Postal Ballot on April 16, 2023.

Ms. Lynette Monteiro (DIN: 07901400) was appointed as an Additional Non-Executive Non-Independent Director of the Company on April 13, 2023. The approval of the shareholders will be sought by means of Postal Ballot.

Ms. Avni Biyani (DIN: 02177900), resigned from the position of directorship w.e.f. December 8, 2022 and Mr. Shirang Sarada (DIN: 00576667), resigned from the position of directorship w.e.f. March 21, 2023. The Board of Directors places on record its appreciation for contributions made by them during their tenure.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the SS-2 on General Meeting are given in the Notice of AGM, forming part of the Annual Report.

During the year under review, Ms. Smita Chowdhury has resigned from the position of Company Secretary & Compliance Officer w.e.f. March 2, 2023 and Ms. Sanu Kapoor has been appointed as Head Legal & Company Secretary w.e.f. March 23, 2023.

### **Independent Directors**

Pursuant to the provisions of Section 149(7) of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed there under and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any

circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

None of the Directors of your Company is disqualified for being appointed as Director, as specified in Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended.

### **Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are:

- Mr. Mahesh Shah (DIN: 01488017) – Managing Director
- Mr. Samir Kedia – Chief Financial Officer
- Ms. Sanu Kapoor – Company Secretary w.e.f. March 23, 2023.

### **PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

During the year, annual performance evaluation of the Board and Committees of the Board, individual Directors of the Company, was carried out as per the criteria and process approved by Nomination and Remuneration Committee, which is in line with the SEBI Guidance Note on Board Evaluation.

The Board discussed upon the outcome of performance evaluation and concluded that they were satisfied with the overall performance of the Board and Committees of the Board and Directors individually. The Board also assessed the fulfilment of the independence criteria by the Independent Directors of the Company and their independence from the management as specified in the Listing Regulations.

Mr. Harminder Sahni, Independent Director was appointed as Chairman of the Board with effect from March 14, 2023. As such, performance evaluation of present chairman was not carried out in respect of financial year 2022-23.

The performance evaluation of the Non-Independent Directors and the performance of the Board as a whole was discussed at the separate meeting of the Independent Directors as well.

### **Familiarization Programme for Independent Directors**

Please refer to the Paragraph on Familiarisation Programme in the Corporate Governance Report for detailed analysis.

### **Policy on Directors' Appointment and Remuneration**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on website at [https://www.praxisretail.in/assets/download/4.Remuneration\\_Policy\\_Final.pdf](https://www.praxisretail.in/assets/download/4.Remuneration_Policy_Final.pdf)

### **VIGIL MECHANISM**

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. The establishment of Vigil Mechanism is available on the website of the Company at <https://www.praxisretail.in/assets/download/Vigil-Mechanism-and-Whistle-Blower-Policy.pdf>

### **RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL**

The Company has a robust risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring, and reporting of various risks associated with the business of the Company. The Risk Management Committee has been entrusted by the Board with the primary responsibility to monitor and review risk management, assessment, and

minimisation procedures and to develop, implement and monitor the risk management plan and identify, review and mitigate all elements of risks which the Company may be exposed to. The Audit Committee has additional oversight in their area of financial risk and internal controls.

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. The Company has in place adequate internal financial controls with reference to financial statements. Key risks and threats to the Company and internal controls and their adequacy are analysed in the Management Discussion and Analysis, which forms part of this Report.

### **HUMAN RESOURCES**

Please refer to the paragraph on Human Resources in the Management Discussion & Analysis section for detailed analysis.

### **EMPLOYEE STOCK OPTION PLANS**

In order to enable the employees of the Company to participate in its future growth and success, the Company has Employee Stock Option Plans. In terms of Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the disclosures for FY23 with respect to all the ESOP policies have been provided on the website of the Company at <https://www.praxisretail.in/esop-disclosures-new.html>

### **LOANS, GUARANTEES & INVESTMENTS**

The Company has not granted any loans, provided any guarantee, or made any Investments which are covered under the provisions of Section 186 of the Act.

### **AUDITORS AND AUDITORS' REPORT**

#### **Statutory Auditors**

M/s. Singhi & Co., Chartered Accountants (Firm Registration No. 302049E) were appointed as the Statutory Auditors of the Company at the 11th Annual General Meeting held on August 19, 2022, for a period of five years from the conclusion of the 11th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company to be held in the year 2027.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors' Report is enclosed with the financial statements forming part of this Annual Report.

The Auditors' modified opinion has been appropriately dealt with in Note No. 41 of Standalone Financial Statements and doesn't require any further comments under section 134 of the Act.

### **Secretarial Auditor**

The Company has appointed Mr. Anant Gude of M/s. Anant Gude & Associates, Practicing Company Secretary to conduct the Secretarial Audit of the Company for the FY 2022-23. The 'Secretarial Audit Report' in prescribed Form MR-3 for the FY 2022-23 is appended as **Annexure-I** which forms part of this Report. Further pursuant to Regulation 24A of the Listing Regulations Annual Secretarial Compliance Report for the year ended March 31, 2023, is also appended with the said Secretarial Audit Report.

The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has employed women workforce and strives to its best to make the most conducive working environment for women employees in the Organisation. The Company believes in providing a safe and harassment free workplace for every employee including women working in the Company through various training, awareness, and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has adopted the policy of zero tolerance in case any sexual harassment issues are reported.

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaints were received by the Company.

### **CORPORATE SOCIAL RESPONSIBILITY STATEMENT**

In terms of the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility ("CSR") Committee.

The composition and terms of reference of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report. During the year under review, the Company was not required to spend any amount of CSR. The CSR policy of the Company is available on the website of the Company at [https://www.praxisretail.in/assets/download/6.CSR\\_Policy.pdf](https://www.praxisretail.in/assets/download/6.CSR_Policy.pdf)

During the year under review, the Company was not required to spend any amount on CSR activities, since the Company does not fall into the criteria specified in Section 135 of the Act. The disclosures as per Rule of Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is annexed to this Report as **Annexure-II**.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the year under review, all transactions entered into by the Company with Related Parties as defined under the Act and the Listing Regulations, were in the ordinary course of business and on an arm's length basis and there were no material related party transactions as per the materiality threshold limit during the year under review. The required Form AOC-2 is annexed as **Annexure-III** for the particulars of related party transactions to be disclosed under Section 134(3) (h) of the Act.

Disclosure of transactions with related parties as required under the applicable Accounting Standards has been made in the Notes forming part of the Financial Statement.

### **COST RECORDS**

Pursuant to Section 148(1) of the Act and the relevant rules made thereunder, the Company is not required to maintain cost records hence the same is not maintained by the Company.

## PARTICULARS OF EMPLOYEES

Disclosures with respect to the Remuneration of Directors and Employees as required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure-IV**, which is annexed to this Report.

Statement containing particulars of top 10 employees and particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure. The said Statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary or send email to [investorrelations@praxisretail.in](mailto:investorrelations@praxisretail.in).

## PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

The particulars as required under Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, are provided in **Annexure-V** which forms a part of this Report.

## EXTRACT OF ANNUAL RETURN

In accordance with Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the Financial Year ended March 31, 2023 is available on the website of the Company at <https://www.praxisretail.in/annual-reports.html>

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

## MATTER UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

M/s. Concepts Interior, Operational Creditor of the Company had filed an application under section 9 of the Insolvency and Bankruptcy Code, 2016 ('Code'), before the Hon'ble National Company Law Tribunal – Mumbai Bench ('Hon'ble NCLT') seeking initiation of Corporate Insolvency Resolution Process (CIRP) against the Company, and the matter is last listed for hearing on June 01 2023.

## REGULATION 39(4) OF THE LISTING REGULATIONS – UNCLAIMED SUSPENSE ACCOUNT

Pursuant to Regulation 39(4) read with Schedule V of the Listing Regulations, the details pertaining to outstanding shares lying in Unclaimed Suspense Account, are given in the Corporate Governance Report which forms a part of this Annual Report. All the unclaimed shares are credited to a Demat Unclaimed Suspense Account and all the corporate benefits in terms of securities, accruing on these unclaimed shares shall be credited to such Account.

However, the Voting Rights (VRs) on these shares shall remain frozen till the rightful owner of such shares claims the shares.

## SECRETARIAL STANDARDS

During the year under review, the Company has complied with Secretarial Standards on Meetings of the Board of Directors ("SS-1") and on General Meetings ("SS-2") as amended and issued from time to time by the Institute of Company Secretaries of India in terms of Section 118 (10) of the Act.

## **GENERAL**

During the year under review, there were no transactions requiring disclosure or reporting in respect of matters relating to: a) issue of equity shares with differential rights as to dividend, voting or otherwise; b) raising of funds through preferential allotment or qualified institutions placement; c) instances of one-time settlement with any bank or financial institution or other matters not specified in this report necessitating the disclosure in this Report.

## **ACKNOWLEDGEMENT**

Your Board of Directors would like to thank and place on record their appreciation for the continued

support, firm confidence professed on us and co-operation provided to the Company by its partners viz. our valued shareholders, customers, employees, suppliers, other business associates, bankers, regulatory authorities and all other stakeholders.

For and on behalf of the Board of Directors  
**Praxis Home Retail Limited**

**Harminder Sahni**

Chairman

DIN: 00576755

**Place:** Mumbai

**Date:** May 27, 2023

# Annexure I

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

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

To,  
The Members,

**Praxis Home Retail Limited**

(CIN: L52100MH2011PLC212866)

iThink Techno Campus, Jolly Board Tower D,  
Ground Floor, Kanjurmarg (East)  
Mumbai – 400042.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PRAXIS HOME RETAIL LIMITED (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company in digital form and also the information provided by the Company, its officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company, during the audit period covering the Financial Year ended March 31, 2023, has 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 and / or the Companies Act, 1956 to the extent applicable (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 to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015; (“Listing Regulations”)
  - (f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (g) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the Financial Year ended March 31, 2023:



- (a) Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
- (b) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

Based on the representation given by the Management of the Company, it is observed that there are no such laws which are specifically applicable to the industry in which the Company operates. During the year under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**During the year under review**, upon exercise of Stock Options by the eligible employees, the Company had issued & allotted 2,62,000 equity shares on February 11, 2023 and 1,00,000 equity shares on February 27, 2023 which were duly listed for trading on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on February 22, 2023 and March 08, 2023. Consequently, pursuant to these two ESOP Allotments, the paid-up Equity Share Capital of the Company as on March 31, 2023, is ₹ 37,83,50,560/- divided into 7,56,70,112 equity shares of the Company.

I have to report that pursuant to the Order passed by the Hon'ble Mumbai Bench of National Company Law Tribunal, ("**NCLT**") dated November 10, 2017, a Composite Scheme of Arrangement was executed between Future Retail Limited ("**FRL**"), Bluerock eServices Private Limited ("**Bluerock**"), Praxis Home Retail Limited ("**Praxis**" or "**the Company**") and their respective shareholders.

As per the clause 16 of the said order, as a consideration, the Company has issued 6,30,000 (Six Lakhs Thirty Thousand only) 9% Redeemable Preference Shares of ₹ 100/- each to the member of Bluerock as on the record date for a period of 60 Months from the date of allotment. Consequently, the Company has issued and allotted **6,30,000** (Six Lakhs Thirty Thousand only) 9% Redeemable Preference Shares of ₹ 100/- each to Future Enterprises Limited ("**FEL**") [being the member of Bluerock] on December 08, 2017

which are due for redemption on December 07, 2022.

Further, proviso to section 55 of the Companies Act, 2013 specifies that the Preference Shares shall be redeemed out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption.

Pursuant to section 55 of the Companies Act, 2013, if a Company is unable to redeem any preference shares or to pay dividend, if any, on such shares in accordance with the terms of issue then:

- such shares to be termed as unredeemed Preference Shares
- it may, with the consent of the holders of three-fourths in value of such Preference Shares and with the approval of NCLT on a petition made by it in this behalf, issue further redeemable Preference Shares equal to the amount due, including the dividend thereon, in respect of the unredeemed preference shares,
- on the issue of such further redeemable Preference Shares, the unredeemed Preference Shares shall be deemed to have been redeemed.

The Company has informed the holder of the Preference Shares that pursuant to the aforesaid Section, due to non-availability of the profits, the Company is unable to redeem the said Preference Shares during the year.

I have to report that pursuant to the order passed by the Securities & Exchange Board of India ("**SEBI**") dated 28th April, 2023, Future Corporate Resources Limited ("**FCRL**") and other promoter entities, Praxis Home Retail Limited were allotted 7500 CCDs to FCRL (Promoter Group Entity). After conversion of these CCDs, the shareholding of FCRL in the Company increased to 5.71%, which is more than 5% in the holding of the Company and therefore, FCRL, along with other Persons Acting in Concert were required to make a public announcement of the Open Offer, which was not done and therefore, the Adjudicating Officer

appointed by SEBI levied monetary penalty on FCRL and other PACs.

I further report that I relied on Statutory Auditor's Report in relation to the Financial Statements and accuracy of financial figures for Goods and Services Tax (GST), Sales Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Accounting Standard 18 and note on foreign currency transactions during our audit period.

I have also examined compliance with the applicable clauses of the Secretarial Standards with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India. I 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 as on the date of this Report. During the year under review, there were the following changes in the composition of the Board of Directors:

Sr. No.	Name of the Director	DIN	Event Type	Event Date
1	Ms. Avni Biyani	02177900	Cessation (Resignation)	08-12-2022
2	Mr. Samson Samuel	07523995	Appointment as Additional Director	14-03-2023
3	Mr. Shrirang Sarda	00576667	Cessation (Resignation)	21-03-2023

Consequent to the above-referred Board changes, as on March 31, 2023, the Board comprised of 5 (Five) Directors including one Independent Woman Director and one Non-Executive Non-Independent Director, however, the Company is in process for appointing a Director to fill up the vacancy. Also accordingly, changes in some of the Board Committees took place during the year under review, which were carried out in compliance with the provisions of the Act.

**Remarks:** Further, as on report date Ms. Lynette Monteiro, has been appointed as an Additional Non-Executive Non-Independent Director w.e.f. April 13, 2023. After such appointment, the Board comprised of 6 (Six) Directors in compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

I further report that as per the information provided by the Company, it has given adequate notice 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 exists for seeking and obtaining further information and clarifications on agenda

items before the meeting and for meaningful participation at the meeting.

I further report that as per the Minutes of the Meetings, majority decisions of the Board were unanimous, and no dissenting views were found as part of the Minutes.

I 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 all applicable laws, rules, regulations and guidelines.

This Report is to be read with my letter of even date which is annexed as **Annexure-I** and forms an integral part of this Report.

For **ANANT GUDE & ASSOCIATES,**

**ANANT GUDE**  
**Practicing Company Secretary**  
**Proprietor**  
**ACS No.: 7219 / CP No.: 18623**  
**UDIN: A007219E000405936**

**Place:** Mumbai  
**Dated:** May 29, 2023

**ANNEXURE - I**

**TO SECRETARIAL AUDIT REPORT**

To,  
The Members  
**Praxis Home Retail Limited**  
Mumbai

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial records in digital as well as in physical form is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations and norms is the responsibility of management. My examination was limited to the verification of procedure on test basis.
5. This 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.

For **ANANT GUDE & ASSOCIATES,**

**ANANT GUDE**  
**Practicing Company Secretary**  
**Proprietor**  
**ACS No.: 7219 / CP No.: 18623**  
**UDIN: A007219E000405936**

**Place:** Mumbai  
**Dated:** May 29, 2023

**ANNUAL SECRETARIAL COMPLIANCE REPORT OF PRAXIS HOME RETAIL LIMITED  
FOR THE YEAR ENDED MARCH 31, 2023**

I, **Anant Gude**, Proprietor of **M/s. Anant Gude & Associates**, Practicing Company Secretary have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by PRAXIS HOME RETAIL LIMITED (hereinafter referred to as 'the listed') having its registered office at iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

Based on my verification of the listed entity's books, papers, minutes book, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorised representatives during the conduct of the Secretarial Review, I hereby report that in my opinion, the listed entity has during the review period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

**I have examined:**

- (a) All the documents and records made available to me and explanations provided by Praxis Home Retail Limited ("the listed entity"),
- (b) The filings / submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Other documents/ filings as may be relevant, which has been relied upon to make this certification,

**For the year ended March 31, 2023 ("Review Period") in respect of compliance with the provisions of:**

- (a) Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued thereunder; and

- (b) Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI").

**The specific regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include:**

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011,
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations 2018,
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- (f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,
- (g) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003,
- (h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars / guidelines issued thereunder.
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 and circulars / guidelines issued thereunder.
- (j) Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008.

**Note:** The aforesaid list of SEBI regulations is only the list of Regulations which were applicable to the Company during the year under review.

And based on the above examination, explanations and presentations provided by the Company, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above regulations / circulars / guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Particulars	Compliance status (Yes/ No/NA)	Observations / Remarks of the Practicing Company Secretary
1.	The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under Section 118 (10) of the Companies Act, 2013 and mandatorily applicable	Yes	
2.	Adoption and timely updation of the policies: <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of the Board of Directors of the listed entity</li> <li>• All the policies are in conformity with SEBI Regulations and have been reviewed and updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes	
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> <li>• The listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/information under a separate section of the website</li> <li>• Web-links provided in the corporate governance reports under regulation 27(2) are accurate and specific which re-directs to the relevant document (s)/section of the website</li> </ul>	Yes	
4.	Disqualification of Director: None of the Director(s) of the Company is/are disqualified under Section 164 of the Companies Act, 2013 as confirmed by the listed entity	Yes	
5.	Details related to subsidiaries of the listed entity have been examined wrt: <ul style="list-style-type: none"> <li>(a) Identification of material subsidiary companies</li> <li>(b) Disclosure requirement of material as well as other subsidiaries</li> </ul>	The listed entity has no subsidiary	
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations 2015.	Yes	

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations / Remarks of the Practicing Company Secretary
7.	<p>Performance of Evaluation:</p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	
8.	<p>Related Party Transactions:</p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>(b) The listed entity has provided detailed reasons alongwith confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval was obtained.</p>	Yes Yes	
9.	<p>Disclosure of events or information:</p> <p>The listed entity has provided all the relevant disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations 2015 within the time limits prescribed thereunder</p>	Yes	
10.	<p>Prohibition of Insider Trading:</p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	
11.	<p>Action taken by SEBI or Stock Exchange(s), if any</p> <p>Pursuant to the order passed by the Securities &amp; Exchange Board of India ("SEBI") dated 28th April, 2023, Future Corporate Resources Limited ("FCRL") and other promoter entities, Praxis Home Retail Limited had allotted 7500 CCDs to FCRL (Promoter Group Entity). After conversion of these CCDs, the shareholding of FCRL in the Company increased to 5.71%, which is more than 5% in the holding of the Company and therefore, FCRL, along with other Persons Acting in Concert were required to make a public announcement of the Open Offer, which was not done and therefore, the Adjudicating Officer appointed by SEBI levied monetary penalty on FCRL and other PACs, pursuant to Section 15 (i) of Securities and Exchange Board of India , Act, 1992 Read with Rule 5 of SEBI (Procedure for Holding Enquiry and Imposing Penalties) Rules, 1995</p>		
12.	<p>Additional Non-compliance, if any/;</p> <p>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.</p>		

Compliances related to resignation of statutory auditors from listed entity and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations / Remarks of the Practicing Company Secretary
	Compliances with the following conditions while appointing /re-appointing an auditor		
	i. If the Auditor has resigned within 45 days of end of quarter of a financial year, the Auditor before such resignation, has issued limited review/audit report for such quarter; or	The Auditor has not resigned during that period	
	ii. If the Auditor has resigned after 45 days from the end of a quarter or financial year, the Auditor before such resignation, has issued limited review/audit report for such quarter as well as for next quarter; or	The Auditor has not resigned during that period	
	iii. If the Auditor has signed the limited review/audit report for the first three quarters of a financial year, the Auditor before such resignation, has issued the limited review/audit report for the last quarter of such financial year as well as audit report for such financial year.	Not Applicable	
2.	Other conditions relating to resignation of Statutory Auditor None		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	No such event had happened	
	a. In case of any concern with management of listed entity/material subsidiary such as non-availability of information/non-cooperation by the management which has hampered the audit process, the Auditor has approached Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	Same as above	
	b. In case the Auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where proposed resignation is due to non-receipt of information/ explanation from the Company, the Auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable.		
	c. The Audit Committee/Board of Directors, as the case may be, deliberated on the matter on receipt such information from the Auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.		

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations / Remarks of the Practicing Company Secretary
ii.	Disclaimer in case of non-receipt of information:  The Auditor has provided an appropriate disclaimer in its audit report, which is in accordance with Standards of Auditing as specified by ICAI/NFRA, in case where the listed entity/its material subsidiary has not provided information as required by the auditor.		
3.	The listed entity/its material subsidiary has obtained information from the Auditor upon resignation in the format as specified in Annexure A in SEBI circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019	Not Applicable	

**a. The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below**

Sr. No.	Compliance requirement	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of violations	Fine Amount	Observations /remarks by PCS	Management response
The listed entity has complied with the above Regulations & circulars/guidelines									

**b. The listed entity has taken the following actions to comply with the observations made in previous reports:**

Sr. No.	Compliance requirement	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of violations	Fine Amount	Observations /remarks by PCS	Management response
N.A.									

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished are the responsibilities of the management of the listed entity.

2. My responsibility is to certify based on my examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A(2) of the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **ANANT GUDE & ASSOCIATES,**

**ANANT GUDE**  
**Practicing Company Secretary**  
**Proprietor**  
**ACS No.: 7219 / CP No.: 18623**  
**UDIN A007219E000348991**

**Place:** Mumbai  
**Dated:** 22/05/2023



## Annexure II

### ANNUAL REPORT ON CSR ACTIVITIES

#### 1. A brief outline on CSR policy of the Company

The CSR Policy of the Company inter-alia includes CSR activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013 ('the Act'). CSR Policy of the Company is available on the website of the Company at the link: [https://www.praxisretail.in/assets/download/6.CSR\\_Policy.pdf](https://www.praxisretail.in/assets/download/6.CSR_Policy.pdf)

#### 2. Composition of CSR Committee\*

Sl. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	@Ms. Anou Singhvi	Chairperson/ Non-Executive Non-Independent Director	0	0
2.	Mr. Jacob Mathew	Member/Independent Director	0	0
3.	Mr. Mahesh Shah	Member/Managing Director	0	0
4.	#Mr. Shrirang Sarda	Member/Non-Executive Non-Independent Director	0	0
5.	*Ms. Avni Biyani	Chairperson/Non-Executive Non-Independent Director	0	0

*@Ms. Anou Singhvi, Non-Executive Non-Independent Director was appointed as 'Chairperson' of the Committee with effect from March 14, 2023.*

*#Mr. Shrirang Sarda ceased to be a Member of the Committee with effect from March 21, 2023 consequent to his resignation as director.*

*\*Ms. Avni Biyani ceased to be a Chairperson of the Committee with effect from December 08, 2022 consequent to her resignation as director.*

- The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: Not Applicable
- The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not Applicable as the Company does not have average CSR obligation of ₹ 10 crore or more, in the three immediately preceding financial years.

5	(a) Average net profit of the Company as per Section 135(5)	Loss of ₹ 5657.47 Lakhs
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	Not Applicable
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	
	(d) Amount required to be set-off for the financial year, if any.	
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	

- 6 (a) (i) Details of CSR amount spent against ongoing projects for the financial year 2022-23: Not Applicable

(₹ in Lacs)

1	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	State	District	Project duration.	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
											Name	CSR Registration number
Not Applicable												

- 6 (a) (ii) Details of CSR amount spent against other than ongoing projects for the financial year 2022-23:

(₹ in Lacs)

Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
NA									

- (b) Amount spent in Administrative Overheads- NIL

- (c) Amount spent on Impact Assessment, if applicable- NIL

- (d) Total amount spent for the Financial Year- Not Applicable  
(6a+6b+6c)

- (e) Details of CSR spent or Unspent for the financial year 2022-23

(₹ in Lacs)

Total Amount Spent for the Financial Year.	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Sec 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
	Amount	Date of Transfer	Name of fund	Amount	Date of Transfer
Not Applicable					

(f) Excess amount for Set off, if any

SI No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Not Applicable
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7. (a) Details of Unspent CSR amount for the preceding three financial years-

Sl. No.	Preceding Financial year	Amount transferred to unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in unspent CSR account under sub-section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Date of Transfer	Amount (in ₹)	
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable since the Company has incurred average net loss for the last three financial years.

For and on behalf of the Board of Directors  
**Praxis Home Retail Limited**

**Anou Singhvi**

Non-Executive - Independent Director  
Chairperson- CSR Committee  
DIN: 07572970

**Mahesh Shah**

Managing Director  
Member- CSR Committee  
DIN: 01488017

**Date:** May 27, 2023

**Place:** Mumbai

# Annexure III

## FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

### 1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements, or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

### 2. Details of material contract or arrangements or transactions at arm's length basis: NIL

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2023, are as follows:

Name of the Related Parties	Nature of Relationship	Nature of contracts/ arrangements /Transactions	Duration of the contracts/ arrangements /Transactions	Salient terms of the contracts or arrangements or transactions including the value (₹ in lakh)	Approvals	Amount paid as advances if any (₹ in lakh)
NA	NA	NA	NA	NA	NA	NIL

**Note:** There were no material related party transactions as per the materiality threshold limit during the year under review.

For and on behalf of the Board of Directors  
**Praxis Home Retail Limited**

**Harminder Sahni**  
 Chairman  
 DIN: 00576755

**Place:** Mumbai  
**Date:** May 27, 2023

## Annexure IV

### INFORMATION REQUIRED UNDER SECTION 197(12) OF THE ACT READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014)

- (i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY23 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY23:

Name of Director and Key Managerial Personnel	Designation	Ratio of Remuneration of each Director to median remuneration of employees	Increase/ (Decrease) in Remuneration in the FY23 (in percentage)
<b>Directors:</b>			
Mr. Mahesh Shah	Managing Director	143.40	#
*Mr. Harminder Sahni	Chairman and Non-Executive - Independent Director	2.29	4%
^Mr. Shrirang Sarada	Non-Executive Non-Independent Director	1.05	#
**Ms. Avni Biyani	Non-Executive Non-Independent Director	0.30	#
Mr. Jacob Mathew	Non-Executive - Independent Director	1.69	(53%)
Ms. Anou Singhvi	Non-Executive - Independent Director	1.50	10%
^^Mr. Samson Samuel	Non-Executive - Non-Independent Director	0.15	#
***Ms. Lynette Robert Monteiro	Non-Executive - Non-Independent Director	Not Applicable	#
<b>Key Managerial Personnel</b>			
Mr. Samir Kedia	Chief Financial Officer	69.93	#
^^^Ms. Sanu Kapoor	Head Legal & Company Secretary	0.46	#
****Ms. Smita Chowdhury	Company Secretary & Compliance Officer	9.02	#

**Note:**

1. Remuneration to Independent Directors and Non-Executive Directors consists of sitting fees only.
2. \*Mr. Harminder Sahni was appointed as a Chairman of the Company with effect from March 14, 2023.
3. ^Mr. Shrirang Sarada resigned and ceased as Non-Executive Non-Independent Director with effect from March 21, 2023.
4. \*\*Ms. Avni Biyani resigned and ceased as Non-Executive Non-Independent Director with effect from December 09, 2022.

5. ^^Mr. Samson Samuel was appointed as an Additional Non-Executive Non-Independent Director of the Company on March 14, 2023. Further, the shareholders had approved his appointment by means of Postal Ballot on April 16, 2023.
  6. \*\*\*Ms. Lynette Monteiro was appointed as an Additional Non-Executive Non-Independent Director of the Company on April 13, 2023. Further, the shareholders had approved her appointment by means of Postal Ballot on July 02, 2023.
  7. \*\*\*\*Ms. Smita Chowdhury resigned from the position of Company Secretary and Compliance Officer with effect from March 02, 2023.
  8. ^^Ms. Sanu Kapoor was appointed as Head Legal & Company Secretary of the Company with effect from March 23, 2023.
  9. #Since the remuneration is only for part of the year, the ratio of their remuneration to median remuneration and percentage increase in remuneration is not comparable and hence not stated.
- (ii) The percentage increase in the median remuneration (MRE) of employees in the Financial Year :
- The MRE in the Financial Year 2022-23 shows a decrease of 17.06% as there was no revision / increment in remuneration of employees.
- (iii) The number of permanent employees on the rolls of the Company as on March 31, 2023: 831
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- No revision / increment was given to the employees during the financial year 2022-23.
- (v) The Company affirms that the remuneration is as per the Remuneration Policy of the Company. The Company is Remuneration Policy is based on principle of equity, performance and experience of the employees.

For and on behalf of the Board of Directors  
**Praxis Home Retail Limited**

**Harminder Sahni**  
Chairman  
DIN: 00576755

**Place:** Mumbai  
**Date:** May 27, 2023

## Annexure V

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC:**

Information on Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

#### **(A) CONSERVATION OF ENERGY:**

(i) The steps taken or impact on conservation of energy	The operations of the Company are not energy intensive; however adequate measures have been taken to reduce energy consumption through installation of temperature-controlled air conditioners, use of natural lights in offices/ stores premises and also by continuing to replace old lighting fixtures with LED lights at its existing offices/stores.
(ii) The steps taken by the Company for utilizing alternate sources of energy	All efforts are made to use more natural lights in offices/ store premises to optimize the consumption of energy.
(iii) The capital investment on energy conservation equipments;	NIL

#### **(B) TECHNOLOGY ABSORPTION:**

(i) The efforts made towards technology absorption	<p>In the year under review, the IT strategy has the following premise:</p> <ol style="list-style-type: none"> <li>1. Expand the scope of the CRM platform to Modular Kitchen and Design and Build line of Business;</li> <li>2. Improve customer experience of online customers and conversion customers reaching out to Customer Support by leveraging the 360-degree view of the customer;</li> <li>3. Leverage our online channels for growth – www.hometown.in and other marketplaces;</li> <li>4. Automate backend analytics and thereby aid efficiency Keeping the above in consideration, the Company revamped its operational KPIs and introduced competition amongst store teams for adoption of CRM system. The end-result was an increase in conversion of Leads despite de-growth in footfalls.</li> </ol> <p>We also launched the Service Cloud module of the CRM and thereby built an end-to-end platform to analyze customer information. Also extended the implementation to streamline after sales service process for Furniture and MK business. The concerned implementation aided in integrating sales, service and customer feedback info from all our channels, be it stores or online.</p>
--	--

With an aim to assimilate the customer information from www.hometown.in over CRM system, the current Cart details was converted into an omni- channel cart with an option to complete the purchase on hometown.in or in the store. We also introduced self-service for order tracking and raising customer complaints/requests on the web which in turn is seamlessly integrated with underlying CRM platform.

To improve customer experience on www.hometown.in and overall website maintenance few initiatives were implemented.

To improve efficiency in product/sales analysis, we automated many KPI reports on our data- warehouse solution. Some of the key ones being automating the sales report, automating the assessment of sales by product category, brands, country of origin, etc.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution

1. Increase in conversion of leads generated into sale of furniture despite de-growth in footfalls.
2. Overall reduction in time in servicing the customers with increase in Efficiency.
3. Automation of various business reports.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Not Applicable

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

(iv) the expenditure incurred on Research and Development.

Nil

(C) Foreign exchange earnings and Outgo:

Particulars	₹ In lakhs)	
	F.Y. 2022-23	F.Y. 2021-22
Total Foreign Exchange Used	3,010.36	6,996.60
Total Foreign Exchange Earned	Nil	Nil

For and on behalf of the Board of Directors  
**Praxis Home Retail Limited**

**Harminder Sahni**  
Chairman  
DIN: 00576755

**Place:** Mumbai  
**Date:** May 27, 2023



# Corporate Governance Report

## **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company continues to believe in its philosophy on corporate governance demonstrating good corporate citizenship through sound governance practices, environmental awareness and ethical behaviour not only to attain corporate objectives but also to align them with economic and social goals for the betterment of all stakeholders and the community at large.

The Company conducts its business according to the system, practices and processes which are regularly reviewed and strengthened to adapt and adopt, implement various codes and policies in compliance with the applicable regulatory provisions and to ensure transparency and accountability at various levels of organisation including the Board and its various Committees. Such codes and policies are disclosed on the Company's website [www.praxisretail.in](http://www.praxisretail.in). These codes and policies ensure the best standards of Corporate Governance by boosting the best business fundamentals through persistent focus on the core values and principles to bring efficiencies in business operations, at the same time keeping all stakeholders in confidence with timely disclosures, best services to its customers at all times and working every way possible to make our customers happy and contented, assuring adequate health, safety measures and work-life balance for its employees/service providers, equal opportunities in employment, meeting corporate social responsibilities, fair and timely disclosures, compliance with the relevant rules and regulations and maximizing overall stakeholders' value.

The Company has in place a Code of Conduct for the Board of Directors and Senior Management Personnel ("Code of Conduct") laying down the corporate ethics to be practiced by the entire management cadre. Pursuant to Regulation 26(5) of the SEBI Listing Regulations, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI Listing Regulations, all the Board members and senior management of

the Company as on March 31, 2023 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Managing Director is reproduced at the end of this Report.

## **BOARD OF DIRECTORS**

The composition of the Board of Directors ('the Board') is in conformity with the requirements of the Act and the Listing Regulations with optimum combination of Executive, Non-Executive and Independent Directors. The Board approves corporate strategies, which are intended to allocate corporate resources for long-term growth and build sustainable long-term value for the stakeholders. In addition to the information and documents pertaining to any specific agenda items, the Board of Directors is regularly provided the information as prescribed under Part A of Schedule II to the Listing Regulations for its review / suggestions / approvals. During the year under review, the composition of the Board was in conformity with Regulation 17 of the SEBI Listing Regulations read together with Section 149 and 152 of the Act and rules framed thereunder. As on March 31, 2023, the Board comprised of 5 Directors, out of which 4 were Non-Executive Directors. One Non-Executive Non-Independent Director was appointed on April 13, 2023. The Company has a Non-Executive Independent Chairman and 2 Independent Directors including one Independent Woman Director, which comprises half of the total strength of the Board. All Independent Directors have confirmed in accordance with Regulation 25(8) of the SEBI Listing Regulations that they meet the independence criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act and the rules framed thereunder.

None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as disclosed under Section 184 of the Act read with Rules framed thereunder and none of the Directors of the Company are related to each other. None of the Independent Directors serve as Independent Directors in more than 7 listed entities and none of the Independent Directors are Whole-time Directors / Managing Directors in any listed entity. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors are members in more than 10 committees or act as chairperson of

more than 5 committees [the committees being, Audit Committee and Stakeholders' Relationship Committee] across all public limited companies in which he/she is a Director. All Non-Executive Non-Independent Directors are liable to retire by rotation. Further, the maximum tenure of Independent Directors is in line with provisions of Section 149 (10) and (11) of the Act and Rules made thereunder.

Pursuant to Regulation 27(2) of the SEBI Listing Regulations, the Company also submits a quarterly compliance report on Corporate Governance to the Stock Exchanges, including details on all material transactions with related parties, within 21 days from the close of every quarter. The Managing Director and the Chief Financial Officer ('CFO') have certified to the Board on inter alia, the accuracy of the financial

statements and adequacy of internal controls for financial reporting, in accordance with Regulation 17(8) read together with Part B of Schedule II of the SEBI Listing Regulations, pertaining to CEO and CFO certification for the Financial Year ended March 31, 2023.

During the year under review, 5 (Five) Meetings of the Board of Directors were held on May 14, 2022, August 5, 2022, November 3, 2022, February 6, 2023 and March 14, 2023. The quorum for

the meeting of the Board of Directors is one-third of the Board of Directors or three Directors, whichever is higher, including atleast one Independent Director and during the year, the requisite quorum was present for all Board meetings.

Relevant information on composition of the Board during financial year ended March 31, 2023

Name of Director, Director Identification Number & Category	No. of Board Meetings attended in the year	Attendance at the last AGM	Name of other Listed entities where he/she is a director & (category of directorship)	No. of Directorships <sup>1</sup>		No. of Memberships / Chairmanships of Committees in public companies <sup>2</sup>		Holding in company's shares and other convertible instruments
				Public	Private / Non-profit	Member- ships	Chair- manship	
Mr. Mahesh Shah DIN: 01488017 (Managing Director)	5	Yes	None	1	0	1	0	50
*Ms. Avni Biyani DIN: 02177900 (Non-Executive Non- Independent Director)	2	Yes	None	1	6	0	0	35,72,499
#Mr. Shrirang Sarda DIN: 00576667 (Non-Executive Non-Independent Director)	3	Yes	None	1	8	1	1	50
~Mr. Harminder Sahni DIN: 00576755 (Chairman & Independent Director)	5	Yes	Himatsingka Seide Limited (Independent Director)	2	4	3	2	Nil
Mr. Jacob Mathew DIN: 00080144 (Independent Director)	4	Yes	None	1	1	2	0	55
Ms. Anou Singhvi DIN: 07572970 (Independent Director)	5	Yes	None	1	2	1	0	Nil

Name of Director, Director Identification Number & Category	No. of Board Meetings attended in the year	Attendance at the last AGM	Name of other Listed entities where he/she is a director & (category of directorship)	No. of Directorships <sup>1</sup>		No. of Memberships / Chairmanships of Committees in public companies <sup>2</sup>		Holding in company's shares and other convertible instruments
				Public	Private / Non-profit	Member- ships	Chair- manship	
@Mr. Samson Samuel DIN: 07523995 (Non-Executive Non-Independent Director)	1	Not Applicable	None	0	2	1	1	Nil
^Ms. Lynette Monteiro DIN: 07901400 (Non-Executive Non-Independent Director)	Not Applicable	Not Applicable	None	2	0	0	0	Nil

<sup>1</sup>Does not include directorships in foreign companies.

<sup>2</sup>Only Audit Committees and Stakeholders' Relationship Committees that of the Company are included.

\*Ms. Avni Biyani, Non-Executive Non-Independent Director resigned w.e.f. December 8, 2022.

# Mr. Shrirang Sarda, Non-Executive Non-Independent Director resigned w.e.f. March 21, 2023.

~ Mr. Harminder Sahni was appointed as Chairman at the meeting held on March 14, 2023.

@ Mr. Samson Samuel was appointed as an Additional Director of the Company on March 14, 2023. Shareholders approved his appointment by means of Postal Ballot on April 16, 2023.

^ Ms. Lynette Monteiro was appointed as an Additional Director on April 13, 2023. Shareholders' approval for her appointment is proposed to be sought by means of Postal Ballot.

### Board Effectiveness Evaluation

Pursuant to provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Act, an annual Board effectiveness evaluation was conducted for FY 2022-23.

**Board Diversity:** It is ensured that a transparent Board nomination process is in place, that encourages diversity of thought, experience, knowledge, perspective, age and gender, the Nomination and Remuneration Committee (NRC), ensures that the Board has an appropriate blend of functional and industry expertise. Whilst recommending the appointment of a director, the NRC considers the manner in which, the function and domain expertise of the individual, could contribute to the overall skill-domain mix of the Board.

**Key Board Skills, Expertise and Competencies:** As on March 31, 2023, the Board comprises of qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee meetings. The below matrix summarizes a mix of skills, expertise

and competencies expected to be possessed by our individual directors, which are key to corporate governance and Board effectiveness:

- **Governance**

This category includes skills relevant to performing the Board's key functions such as strategic planning, policy development, financial performance, audit review, risk & compliance oversight, overall experience, assessing strategic opportunities & threats and good governance practices.

- **Industry-specific**

This category includes skills and knowledge relevant to the retail industry in which the Company operates such as business development, vendor management, technology, marketing & communication and operational efficacy, understanding consumer buying patterns, consumption analysis, product innovations, supplier management, store operations and customer interactions.

### • Personal attributes & qualities

These are the attributes that are generally considered desirable to be an effective Director possessing specific qualities like leadership, effective communication, honesty, independence, commitment, professionalism, Innovation, ethics, integrity etc. All the Directors of the Company have been appointed possessing the above-given skills / attributes and bring immense benefit and experience to the Company. In the table below, the specific areas of focus or expertise of individual Board Members have been highlighted. However, in the absence of a mark against a member's name does not necessarily mean that the member does not possess the corresponding qualification or skill.

Name of the Directors	Leadership	Strategy	Operations	Governance	Public Relations	Industry Research	Diversity	Technology	Finance
Mr. Mahesh Shah	✓	✓	✓	✓	✓	✓	-	✓	✓
#Mr. Shrirang Sarda	✓	✓	✓	✓	✓	-	✓	✓	✓
*Ms. Avni Biyani	✓	✓	-	✓	✓	-	-	-	-
Mr. Harminder Sahni	✓	✓	-	✓	✓	✓	-	✓	✓
Mr. Jacob Mathew	✓	✓	✓	✓	-	✓	✓	✓	-
Ms. Anou Singhvi	✓	✓	✓	✓	✓	✓	✓	-	-
@Mr. Samson Samuel	✓	✓	✓	-	-	-	-	-	-
^Ms. Lynette Monteiro	✓	-	✓	-	-	✓	-	-	-

@ Mr. Samson Samuel was appointed as an Additional Director of the Company on March 14, 2023. Shareholders approved his appointment by means of Postal Ballot on April 16, 2023.

^ Ms. Lynette Monteiro was appointed as an Additional Director on April 13, 2023. Shareholders' approval for her appointment is proposed to be sought by means of Postal Ballot.

\* Ms. Avni Biyani, Non-Executive Non-Independent Director resigned w.e.f. December 8, 2022.

# Mr. Shrirang Sarda, Non-Executive Non-Independent Director resigned w.e.f. March 21, 2023.

**Familiarisation Programme:** Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations, kindly refer to the Company's website [https://www.praxisretail.in/assets/download/IndependentDirector\\_Familiarization\\_Program\\_Final.pdf](https://www.praxisretail.in/assets/download/IndependentDirector_Familiarization_Program_Final.pdf) for details of the familiarisation programme for Independent Directors on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

### The Committees of the Board

Given below is the composition and the terms of reference of various Committees constituted by the Board, inter alia including the details of meetings held during the year and attendance thereat. All Committee decisions are taken, either

at the meetings of the Committee or by passing of circular resolutions. The Company Secretary acts as the Secretary for all Committees meetings. The Chairperson of each Committee briefs the Board on significant discussions at its meetings. During the year under review all recommendations made by the various Committees were accepted by the Board. The minutes of the meetings of all Committees of the Board are placed before the Board for noting.

### 1. AUDIT COMMITTEE:

The Audit Committee ("AC") of the Company comprises of 4 Directors with majority of Independent Directors. All the members of the Committee are financially literate and possess adequate accounting and financial knowledge. During the year under review, 5 meetings of the

AC were held on May 14, 2022, August 5, 2022, November 3, 2022, February 6, 2023, and March 14, 2023. The quorum of the Committee is two members or one-third of its members, whichever is higher, with atleast two Independent Directors being present. The requisite quorum was present for all the meetings.

Relevant information on the composition of the AC during the financial year ended March 31, 2023 is as follows:

Name of Director	Category	Designation	No. of Meetings	
			Held during tenure	Attended
Mr. Harminder Sahni	Independent Director	Chairperson	5	5
Mr. Jacob Mathew	Independent Director	Member	5	4
Ms. Anou Singhvi	Independent Director	Member	5	5
Mr. Mahesh Shah	Managing Director	Member	5	5

**Terms of Reference:**

The Committee has been mandated to comply with the requirements as specified in Part C of Schedule II of the Listing Regulations and the provisions of Section 177 of the Act. The terms of reference are reviewed from time to time by the Board.

**Role of the AC, inter-alia, includes the following:**

- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the Director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;

- (d) significant adjustments made in the financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statements;
- (f) disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the Company with related parties; provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up thereon;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the vigil & whistle blower mechanism;
- approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- reviewing the utilisation of loans and/ or advances from/investment, if any, by the Company in the subsidiary/ies exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary,

whichever is lower including existing loans / advances / investments;

- reviewing on the rationale, cost-benefits and impact of schemes, if any, involving merger, demerger, amalgamation etc.

### Review of Information

The AC shall review the following:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee) submitted by the management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal Audit Reports relating to internal control weaknesses;
- The appointment, removal, and terms of remuneration of the Chief Internal Auditor;
- Statement of deviations in:
  - (a) Quarterly Statement of deviation(s) including report of monitoring agency, if applicable, to be submitted to stock exchange(s) in terms of Regulation 32 (1).
  - (b) Annual Statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32 (7).

The Committee relies on the expertise and knowledge of the Management, the Internal Auditor and the Statutory Auditor, in carrying out its oversight responsibilities. It also uses external expertise, if required. The management is responsible for the preparation, presentation and integrity of the Company's financial statements, accounting and financial reporting principles. The management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with accounting standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal controls.

M/s. Singhi & Co., Chartered Accountants (Firm Registration No. 302049E), the Statutory Auditors of the Company, appointed by the shareholders of the Company at the 11th Annual General Meeting held on August 19, 2022, for a period of five years from the conclusion of the 11th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company to be held in the year 2027 is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

## 2. NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee of the Company ("NRC") plays a leadership role in shaping the corporate governance of

the Company and strives to build an engaged and diverse Board in alignment with the requirements of the Company's governance and strategies. The NRC develops an executive compensation philosophy, adopts and oversees the implementation of compensation policies to attract talented Directors and Senior Management Personnel and to incentivise them for the creation of long-term value, and to develop meaningful goals through performance-based compensation that support the Company's long-term value creation strategy. The NRC comprises of 3 Directors, out of which 2 are Independent Directors and 1 is Non-Executive Non-Independent Director. During the year under review, total 3 meetings of the NRC were held on August 5, 2022, November 3, 2022, and March 14, 2023. The requisite quorum was present for all the meetings.

Relevant information on the composition of the NRC during the financial year ended March 31, 2023 is as follows:

Name of Director	Category	Designation	No. of Meetings	
			Held during tenure	Attended
Mr. Jacob Mathew	Independent Director	Chairperson	3	2
Mr. Harminder Sahni	Independent Director	Member	3	3
*Mr. Shrirang Sarda	Non-Executive Non-Independent Director	Member	3	3
*Mr. Samson Samuel	Non-Executive Non-Independent Director	Member	0	0

\* Mr. Shrirang Sarda ceased to be a member of the Committee with effect from March 14, 2023 consequent to his resignation as director and Mr. Samson Samuel, Non-Executive Non-Independent Director was appointed as 'Member' of the Committee with effect from March 14, 2023.

### Terms of reference:

The terms of reference of NRC are reviewed from time to time by the Board. The NRC of the Company functions according to its terms of reference, its objectives, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. The role of the NRC, inter-alia, includes the following:

- to formulate the criteria for determining qualifications, positive attributes and independence of a Director and

recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

- to evaluate the balance of skills, knowledge and experience required for being independent director on the Board and on the basis of such evaluation, to prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- o use the services of an external agencies, if required;
- o consider candidates from a wide range of backgrounds, having due regard to diversity; and
- o consider the time commitments of the candidates
- to formulate criteria for evaluation of independent directors and the Board;
- to devise a policy on Board diversity;
- to Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- to establish and from time to time review the policy for Employee Stock Option Plan (ESOP) and Employee Stock Option Scheme (ESOS) as well as issuance of SWEAT equity shares and recommend the grants of stock options to be made under ESOP / ESOS;
- to review the Company's remuneration and human resource policy and
- to recommend to the Board, all remuneration, in whatever form, payable to senior management cadre of the Company.

#### Details of payment of Remuneration to the Managing Director

The remuneration paid to Mr. Mahesh Shah, the Managing Director for the year ended March 31, 2023 is as under:

	(₹ in Lakhs)
<b>Salary</b>	223.24
<b>Variable Bonus</b>	43.56
<b>Company's Contribution to Provident Fund</b>	2.50
<b>Perquisites</b>	18.37
<b>Total</b>	<b>287.67</b>

#### Notes:

1. All the above components of remuneration, except Performance Bonus / Commission, are fixed in nature.
2. During the year, 1,00,000 equity shares were vested at an exercise price of ₹ 5 per share under the scheme ESOP 2021 and the same were exercised during the year under review.

#### Performance Evaluation Criteria

The Board works with the NRC to lay down the evaluation criteria for the performance of the Chairman, the Board, Committees, Executive Directors, Non-Executive Directors and Independent Directors through a peer evaluation, excluding the Director being evaluated. The Independent Directors were evaluated on the criteria such as engagement, leadership, analytical, quality of decision-making, interaction, governance, etc.

#### Remuneration Policy for Executive Directors

The Company pays remuneration by way of salary, benefits, perquisites and allowances and variable bonuses to the Managing Director, as approved by the Board and the Members of the Company. In determining the remuneration package of the Executive Directors, the NRC evaluates various criteria like competency, experience and ability of the candidate, remuneration prevailing in the industry, specific skills required for the business operations etc., and thereafter makes its recommendation to the Board. Annual increments are decided/recommended by the NRC within the scale of remuneration as may be permissible under the statutory provisions. Performance criteria for Executive Directors (who are entitled to variable bonuses) are determined by NRC in accordance with the remuneration policy.

#### Criteria for making payments to Non-Executive Directors

Non-Executive Directors are paid sitting fees for attending meetings of the Board and Committees of the Board including the meeting of Independent Directors, as decided from time to time by the Board.



### Details of payment of Remuneration to Non-Executive Directors

Sitting fees paid to Non-Executive Directors during the year under review is as under:

Name of the Director	Sitting Fees paid
Mr. Harminder Sahni	4,80,000
Mr. Jacob Mathew	3,60,000
Ms. Anou Singhvi	3,20,000
Mr. Samson Samuel	30,000
*Mr. Shrirang Sarada	2,10,000
**Ms. Avni Biyani	60,000
<b>Total</b>	<b>14,60,000</b>

\*\*Ms. Avni Biyani, Non-Executive Non-Independent Director resigned w.e.f. December 8, 2022.

\*Mr. Shrirang Sarada, Non-Executive Non-Independent Director resigned w.e.f. March 21, 2023.

Apart from reimbursement of expenses incurred in the discharge of their duties and the payment of sitting fees as entitled under the Act, none of these Directors have any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management, which in their judgment would affect their independence. None of the Directors of the Company is inter-se related to one another.

### Stakeholders Relationship Committee:

The Stakeholders' Relationship Committee ("SRC") meets as and when required to consider the transfer proposals and attend to various aspects of interest of the security holders. The SRC comprises of 3 Directors. During the year under review, total 4 meetings of SRC were held on May 14, 2022, August 5, 2022, November 3, 2022 and February 6, 2023. The requisite quorum was present for all the meetings.

Relevant information on the composition of the SRC during the financial year ended March 31, 2023 is as follows:

Name of Director	Category	Designation	No. of meetings	
			Held during tenure	Attended
*Mr. Samson Samuel	Non-Executive Non-Independent Director	Chairperson	0	0
Mr. Harminder Sahni	Independent Director	Member	4	4
Mr. Jacob Mathew	Independent Director	Member	4	3
*Mr. Shrirang Sarada	Non-Executive Non-Independent Director	Chairperson	4	3

\* Mr. Shrirang Sarada ceased to be Chairperson of the Committee with effect from March 14, 2023 and Mr. Samson Samuel, Non-Executive Non-Independent Director was appointed as Chairperson of the Committee with effect from March 14, 2023.

### Terms of reference:

The SRC functions in accordance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations. The role of the SRC, inter-alia, includes the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;

- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### Compliance Officer

Ms. Sanu Kapoor, Head Legal and Company Secretary is the Compliance Officer of the Company. And the contact details are Praxis Home Retail Limited iThink Techno Campus, Jolly Board Tower -D, Ground Floor, Kanjur Marg (East), Mumbai – 400042. Tel No.: +91 22 68824900 and e-mail: investorrelations@praxisretail.in

### Share Transfer Committee

The Share Transfer Committee (“STC”) meets as and when required to consider the share transfer proposals and attend to Investors’ grievances, transmission of shares, split, consolidation, issue of duplicate share certificate, dematerialisation and re-materialisation of shares etc.

Relevant information on the composition of the STC during the financial year ended March 31, 2023 is as follows:

Name of Director/KMP	Category	Designation
Mr. Mahesh Shah	Managing Director	Chairperson
Mr. Jacob Mathew	Independent Director	Member
Mr. Vikas Kabra	Deputy Chief Financial Officer	Member
*Mr. Samir Kedia	Chief Financial Officer	Member

*\* Mr. Samir Kedia, Chief Financial Officer was appointed as Member of the Committee with effect from March 14, 2023.*

With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee and Registrar & Transfer Agent of the Company – Link Intime India Private Limited (RTA).

Details of investor complaints received and resolved during the year under review are as follows:

Number of shareholders complaints received during the financial year	Number of complaints not solved to the satisfaction of shareholders	Complaints resolved during the year	Complaints pending at the end of the year
NIL	NIL	NIL	NIL

### Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee (“CSRC”) is constituted in line with the provisions of Section 135 of the Companies Act, 2013 to

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- recommend the amount of expenditure to be incurred on the activities referred to in the above clause (a); and
- monitor the Corporate Social Responsibility Policy of the Company from time to time.

Relevant information on the composition of the CSRC during the financial year ended March 31, 2023 is as follows:

Name of Director	Category	Designation	No. of meetings	
			Held during tenure	Attended
@Ms. Anou Singhvi	Non-Executive Non-Independent Director	Chairperson	NA	NA
Mr. Jacob Mathew	Independent Director	Member	NA	NA
Mr. Mahesh Shah	Managing Director	Member	NA	NA
#Mr. Shrirang Sarda	Non-Executive Non-Independent Director	Member	NA	NA
*Ms. Avni Biyani	Non-Executive Non-Independent Director	Chairperson	NA	NA

@ Ms. Anou Singhvi, Non-Executive Non-Independent Director was appointed as "Chairperson" of the Committee with effect from March 14, 2023.

# Mr. Shrirang Sarda ceased to be a member of the Committee with effect from March 21, 2023 consequent to his resignation as director.

\* Ms. Avni Biyani ceased to be a Chairperson of the Committee with effect from December 08, 2022 consequent to her resignation as director

During the year under review, no meeting of the CSR Committee was held as the Company was not required to spend any amount on CSR activities, since the Company does not fall into the criteria specified in Section 135 of the Act.

The CSR Policy is placed on the Company's website [https://www.praxisretail.in/assets/download/6.CSR\\_Policy.pdf](https://www.praxisretail.in/assets/download/6.CSR_Policy.pdf) as required under the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

#### Committee of Directors:

The Committee of Directors ("COD") was constituted to ensure support for routine operations and activities of the Company in addition to the specific powers delegated by the Board.

Relevant information on the composition of the COD during the financial year ended March 31, 2023 is as follows:

Name of Director	Category	Designation	No. of meetings	
			Held during tenure	Attended
Mr. Mahesh Shah	Managing Director	Chairperson	NA	NA
Mr. Jacob Mathew	Independent Director	Member	NA	NA
*Mr. Samson Samuel	Non-Executive Non-Independent Director	Member	NA	NA
#Mr. Shrirang Sarda	Non-Executive Non-Independent Director	Member	NA	NA
**Ms. Avni Biyani	Non-Executive Non-Independent Director	Member	NA	NA

# Mr. Shrirang Sarda ceased to be a member of the Committee with effect from March 21, 2023 consequent to his resignation as director.

\*\* Ms. Avni Biyani ceased to be a member of the Committee with effect from December 08, 2022 consequent to her resignation as director.

\* Mr. Samson Samuel, Non-Executive Non-Independent Director was appointed as Member of the Committee with effect from March 14, 2023

The Committee meets as and when required. No Meeting of the 'Committee of Directors' was held during the year under review.

### Risk Management Committee:

The Risk Management Committee ("RMC") comprises of 3 (Three) members, Mr. Mahesh Shah, Managing Director, Mr. Harminder Sahni, Independent Director and Mr. Samir Kedia, Chief Financial Officer. During the year under review, 1 (One) Meeting of the 'Risk Management Committee' was held on November 3, 2022.

Relevant information on the composition of the RMC during the financial year ended March 31, 2023 is as follows:

Name of Director	Category	Designation	No. of meetings	
			Held during tenure	Attended
Mr. Mahesh Shah	Managing Director	Chairperson	1	1
Mr. Harminder Sahni	Independent Director	Member	1	1
Mr. Samir Kedia	Chief Financial Officer	Member	1	1

The Audit Committee / Board of Directors periodically reviews the risk assessment and minimisation procedures and ensures that the executive management controls risk through means of a properly defined framework. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis forming part of the Annual Report.

### Role of RMC

The Risk Management Committee has been mandated to comply with the requirements as specified in Part D of Schedule II is stated below:

- To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks
  - (c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

The Risk Management Committee co-ordinates its activities with other committees, in instances where there is any overlap with activities of such committees.

**General Body Meetings**

**ANNUAL GENERAL MEETING (AGM)**

<b>Date of AGM</b>	<b>Year</b>	<b>Special Resolutions Passed</b>	<b>Venue and time</b>
August 19, 2022	2021-22	• None	(Held via Two-Way Video Conferencing Facility) Deemed Venue was iThink Techno Campus Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042 at 11:30 AM (IST)
September 24, 2021	2020-21	• Appointment of Mr. Mahesh Shah as Managing Director of the Company; • Approval for remuneration to be paid to Mr. Mahesh Shah, (DIN: 01488017) Managing Director of the Company	(Held via Two-Way Video Conferencing Facility) Deemed Venue was iThink Techno Campus Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042 at 12:00 Noon (IST)
September 28, 2020	2019-20	• Approval for payment of remuneration to Mr. Viraj Didwania, Chairman & Managing Director (CMD) of the Company for the remainder of his tenure as CMD	(Held via Two-Way Video Conferencing Facility) Deemed Venue was iThink Techno Campus Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042 at 12:00 Noon (IST)

All resolutions moved at the last years' Annual General Meeting, were passed by means of electronic voting, by the requisite majority of members.

**EXTRAORDINARY GENERAL MEETING (EOGM)**

During the year under review, no Extraordinary General Meeting was held.

**POSTAL BALLOT**

During the year under review, one Postal Ballot was conducted by the Company vide Postal Ballot Notice dated March 17, 2023 and the Results of which were declared by the Company in compliance with Sections 108 and 110 of the Companies Act, 2013 ("the Act") read with Rule 20 & Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") and Secretarial Standard issued by the Institute of Company Secretaries of India on General Meetings ("SS2") and general circular No. 14/2020, dated 8th April, 2020 and other relevant circulars issued by Ministry of Corporate Affairs from time to time. The following special resolution it was passed by the shareholders:

***i. Cancellation of ungranted portion of both the Employee Stock Options Plan(s) and dissolution/liquidation of the Trust created under the said Stock Option Plans.***

<b>Particulars</b>	<b>No. of Shares</b>	<b>% of Votes</b>
<b>Votes in the favour of Resolution</b>		
Promoter and Promoter Group	4,19,14,145	97.65
Public institution	0	0
Public non-institution	10,05,496	2.34
<b>Total</b>	<b>4,29,19,641</b>	<b>100</b>

Particulars	No. of Shares	% of Votes
<b>Votes against the Resolution</b>		
Promoter and Promoter Group	0	0
Public institution	0	0
Public non-institution	898	100
<b>Total</b>	<b>898</b>	<b>100</b>

Further, no special resolution is proposed to be passed through Postal Ballot as on the date of this report.

Mr. Anant Gude, Proprietor of M/s. Anant Gude & Associates, (Membership No. A7219, COP No.: 18623), Practicing Company Secretaries was appointed as the Scrutinizer for scrutinizing the Postal Ballot voting process through remote e-voting in a fair and transparent manner.

### Means of Communication

The Company recognizes communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all stakeholders.

**Financial Results:** The Quarterly, Half Yearly and Annual Results are regularly submitted to the National Stock Exchange of India Limited (NSE), BSE Limited (BSE) as well as uploaded on the Company's website and are published in leading English and Marathi daily newspapers, viz. "The Free Press Journal" (English Daily) and "Nav Shakti" (Marathi Newspaper).

**Website:** The Company's website is a comprehensive reference on its leadership, management, vision, policies, corporate governance, and investor relations. The Members can access the details of the Board, the Committees, Policies, Board committee Charters, financial information, statutory filings, shareholding information. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

**Annual Report:** The information regarding the performance of the Company is shared with the shareholders vide the Annual Report. The Annual Reports for FY 2022-23 are being sent in electronic mode, to all members who have registered their email ids for the purpose of receiving documents /communication in electronic mode with the Company and / or Depository Participants. The Annual Reports are also available in the "Investors" section on the Company's website <https://www.praxisretail.in/annual-reports-returns.html>

**SCORES:** A centralised web-based complaints redress system 'SCORES' which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaint and its current status.

### General Information for Members

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L52100MH2011PLC212866.

### ANNUAL GENERAL MEETING

Date	Time	Venue
Friday, September 29, 2023	11:30 AM	The Ministry of Corporate Affairs and SEBI vide its relevant circulars, has permitted the holding of the Annual General Meeting through videoconferencing / other audio-visual means ('VC / OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. (For details please refer to the Notice this AGM.)

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, details of Director seeking appointment / re-appointment at this AGM are given in the Annexure to the Notice of the forthcoming AGM.

## FINANCIAL CALENDAR

Financial Year	April 01 to March 31
Results for the Quarter ending	Release Date (Tentative and subject to change)
June 30, 2023	Filed on August 07, 2023
September 30, 2023	On or before November 14, 2023
December 31, 2023	On or before February 14, 2024
March 31, 2024	On or before May 30, 2024

## DIVIDEND PAYMENT DATE

The Board of Directors of the Company has not recommended any dividend for the financial year ended on March 31, 2023.

## LISTINGS

The Company's shares are listed on the BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). The following are the details of the Company's shares:

Type	Equity Shares of face value of ₹ 5/-
BSE-Script Code	540901
NSE-Script Code	PRAXIS
BSE- Address	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001; www.bseindia.com
NSE-Address	"Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai 400051; www.nseindia.com

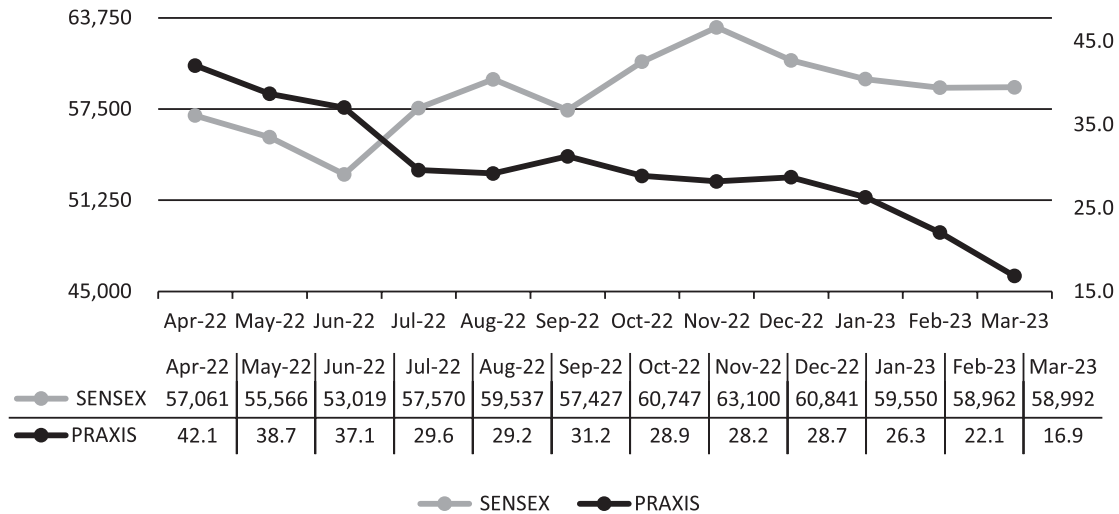
The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz; CDSL and NSDL

## STOCK PERFORMANCE

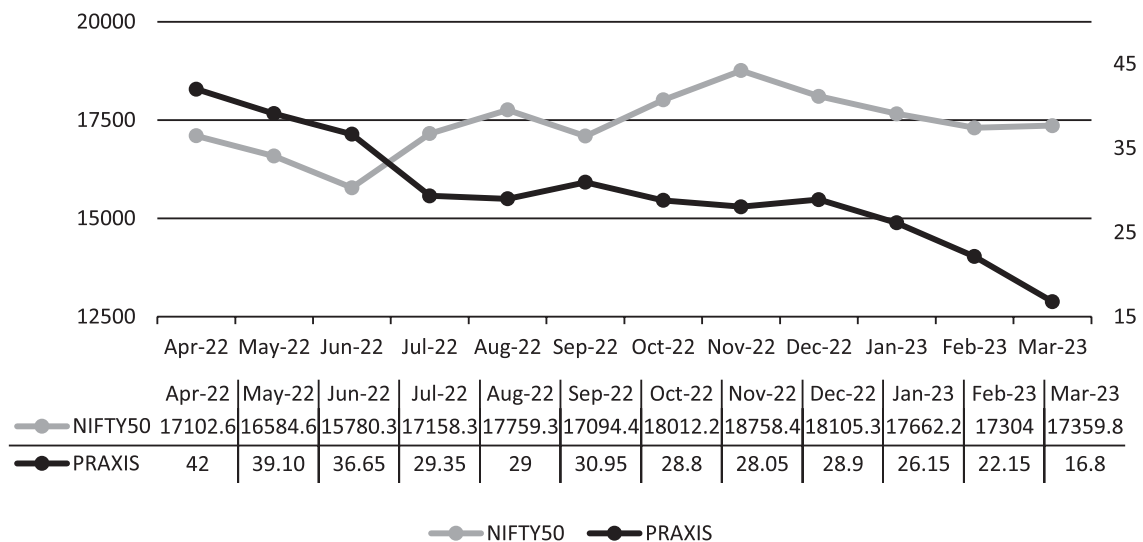
The price performance of the equity shares of the Company at the Stock Exchanges during the year under review is as follows:

Months	BSE (in ₹)		NSE (in ₹)	
	High	Low	High	Low
Apr-22	52.20	40.90	52.15	40.80
May-22	44.60	34.85	45.45	34.15
Jun-22	43.55	33.55	44.80	34.50
Jul-22	39.45	29.20	39.45	29.25
Aug-22	36.70	28.05	35.90	27.20
Sep-22	40.85	28.50	40.80	28.50
Oct-22	35.05	28.35	33.65	28.30
Nov-22	33.70	27.05	33.50	27.20
Dec-22	37.85	27.25	37.80	27.40
Jan-23	29.80	24.50	29.90	25.00
Feb-23	32.25	20.55	32.80	20.60
Mar-23	24.40	16.05	24.15	16.15

## Price Performance compared to SENSEX



## Price Performance compared to NIFTY50



\*Source BSE and NSE

**SHARE TRANSFER SYSTEM**

All transfer, transmission or transposition of securities, are conducted in accordance with the provisions of Regulation 40 and Schedule VII of the SEBI Listing Regulations, read together with relevant SEBI Circulars.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialized form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD\_RTAMB/P/CIR/2022/8 dated January 24, 2022, mandated all the listed

companies to issue securities in dematerialised form only while processes the service request for issue of duplicate securities certificates, renewal/ exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of folios, transmission and transposition.

In view to the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members



are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Link Intime India Private Limited, the Company's Registrar and Transfer Agent (RTA), for assistance in this regard. Also, share transactions in electronic form can be effected in a much simpler and faster manner. Shareholders should communicate with RTA, quoting their folio number or Depository Participant ID "DPID" and Client ID number, for any queries on their securities holding.

#### **DISPUTE RESOLUTION MECHANISM**

SEBI has vide its Circular No.SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022, issued a Standard Operating Procedure (SOP) for dispute resolution under the Stock Exchange Arbitration Mechanism for disputes between a listed company and/or registrars to an issue and share transfer agents and its shareholder(s)/ investor(s).

#### **REGISTRAR AND TRANSFER AGENTS**

Members are requested to correspond with the Company's Registrar and Transfer Agents – Link Intime India Private Limited, quoting their Folio No./DP ID & Client ID at the below details:

C – 101, Embassy, 247, L.B.S Marg, Vikhroli (West), Mumbai – 400083.

Tel No.: +91 22 4918 6000; Fax No.: +91 22 4918 6060

E-mail: rnt.helpdesk@linkintime.co.in; Website: www.linkintime.co.in

#### **DE-MATERIALISATION OF SHARES**

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either NSDL or CDSL. Entire shareholding of Promoter and Promoter Group is in dematerialised form.

Status of dematerialisation of equity shares as on March 31, 2023 is as under:

<b>Particulars</b>	<b>No. of Shares</b>	<b>% of total Paid-up Capital*</b>
National Securities Depository Limited #	4,54,64,299	60.08
Central Depository Services (India) Limited	3,01,80,791	39.89
Total Dematerialised	7,56,45,090	99.97
Physical	25,022	0.03
<b>Total</b>	<b>7,56,70,112</b>	<b>100.00</b>

\* Pursuant to the Scheme of Arrangement between Future Retail Limited ('FRL') and Bluerock e-Services Private Limited ('BSPL') and Praxis Home Retail Limited ('the Company') and their respective Shareholders, 5,218 Equity Shares of the Company are held in abeyance as against 104,371 Equity Shares of FRL, which are held in abeyance.

# During the year under review, Equity Shares aggregating to 3,62,000 (Three Lakh Sixty-Two Thousand) were allotted to eligible employees who have exercised their stock options under ESOP 2021 Plan.

#### **Outstanding GDR/ ADR or Warrants or any Convertible Instruments**

The Company has not issued any GDRs/ ADRs/ Warrants etc., during the financial year 2022-23

#### **DISTRIBUTION OF SHAREHOLDING OF EQUITY SHARES AS ON MARCH 31, 2023**

<b>Distribution Range</b>	<b>Shareholders</b>		<b>Equity Shares</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
1-5000	24,951	98.91	24,98,570	3.30
5001-10000	92	0.36	6,68,825	0.88
10001-20000	71	0.28	10,17,751	1.35

Distribution Range	Shareholders		Equity Shares	
	No.	%	No.	%
20001-30000	30	0.12	7,18,849	0.95
30001-40000	7	0.02	2,46,493	0.33
40001-50000	9	0.03	4,10,370	0.54
50001-100000	20	0.08	15,82,008	2.09
100001-99999	30	0.11	91,64,664	12.11
1000000 & Above	14	0.56	5,93,62,582	78.45
<b>Total</b>	<b>25,224</b>	<b>100.00</b>	<b>7,56,70,112</b>	<b>100.00</b>

#### SHAREHOLDING PATTERN AS ON MARCH 31, 2023

Category	No. of Equity Shares	Percentage (%)
Promoters and Promoter Group	4,19,14,898	55.39
Bodies Corporate	1,87,10,313	24.72
Indian Public (Individual)	1,08,75,328	14.37
Foreign Portfolio Investors	18,06,811	2.39
Alternate Investment Funds	9,77,177	1.29
Hindu Undivided Family	7,84,905	1.04
Banks & Financial Institutions	0	--
Clearing Members	4,389	0.00
Non-Resident (Non Repatriable)	37,252	0.04
Non-Resident Indians	3,83,192	0.50
Trusts	39	0.99
Unclaimed Shares	21,989	0.02
Directors & their Relatives	105	0.00
Mutual Funds	27	0.00
Insurance Companies	1,53,682	0.20
Foreign Nationals	5	0.00
<b>Total</b>	<b>7,56,70,112</b>	<b>100.00</b>

(\* ) During the year under review, the Company had issued and allotted 3,62,000 equity shares to eligible employees under ESOP Plan 2021.

#### TOP TEN SHAREHOLDERS AS ON MARCH 31, 2023

Sr. No.	Name of the shareholder	Number of Equity Shares held	% of holding
1.	Surplus Finvest Private Limited	1,79,37,578	23.70
2.	Future Hospitality Private Limited	1,22,41,293	16.17
3.	Future Corporate Resources Private Limited	63,41,736	8.38
4.	Avni Kishorkumar Biyani	35,72,499	4.72
5.	Johnson Dye Works Private Ltd	35,05,000	4.63
6.	New Era Fabrics Limited	35,00,000	4.62
7.	Infotech Era (India) Ltd	30,00,000	3.96
8.	Laxminarayan Vyapaar P Ltd	16,00,000	2.11
9.	Brescon Ventures Private Limited	14,72,986	1.94
10.	India Opportunities Growth Fund Ltd - Pinewood Strategy	14,50,348	1.91

### **PLANT LOCATIONS**

In view of the nature of the Company's business i.e. Retail, the Company operates from various stores on Pan India basis. For details of our store locations in cities across India, kindly refer Page No. 6 of this Annual Report.

### **REGISTERED OFFICE/ ADDRESS FOR CORRESPONDENCE**

The Registered and Corporate Office of the Company is situated at "iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042".

### **CREDIT RATINGS**

During the financial year under review, the Company has not obtained any Credit Ratings neither there was any revision in Credit Ratings.

## **3. OTHER DISCLOSURES**

### **Related Party Transactions**

Transactions with related parties were reviewed / approved by the Audit Committee and were entered into in the ordinary course of business and at arm's length basis. During the year under review, there were no materially significant transactions entered into with any related party that may have potential conflict with the interests of the Company at large. The details of related party transactions are given in notes forming part of the Financial Statements for the year ended March 31, 2023.

Policy on dealing with related party transactions is available on the website of the Company at [https://www.praxisretail.in/assets/download/Policy\\_of-Dealing-with-Related-Party-Transactions.pdf](https://www.praxisretail.in/assets/download/Policy_of-Dealing-with-Related-Party-Transactions.pdf)

### **Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company.**

During the year under review, Surplus Finvest Private Limited and Future Hospitality Private Limited, the Members of Promoter Group of the Company held more than 10% of paid-up share capital of the Company. Requisite details of transactions with the said related party is given under Note no. 40 to the Financial Statements for the financial year ended March 31, 2023. One

of the Related Party Transactions with Surplus Finvest Private Limited as approved by the Board of Directors at their meeting held on August 5, 2022, was carried out during the year under review..

### **Disclosure of Accounting Treatment**

During the year under review, the Company followed the Accounting Standards laid down by the Companies (Indian Accounting Standards) Rules, 2015, in the preparation of its financial statements.

### **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company has Forex Risk Management Policy in place to manage risk(s) that may arise out of fluctuations in foreign currency(ies). In order to minimise exposures due to foreign currency risk(s), the Company uses various hedging facilities like foreign exchange forward and future contracts, However, the Company does not deal in Future & Options related to commodities and therefore the disclosure pursuant to SEBI circular dated November 15, 2018 is not required to be given.

### **Policy for Determination of Material Subsidiary**

The Company has a policy for determining material subsidiaries of the Company, which is available on the website of the Company [https://www.praxisretail.in/assets/download/9.Policy\\_for\\_determining\\_Material\\_Subsiary.pdf](https://www.praxisretail.in/assets/download/9.Policy_for_determining_Material_Subsiary.pdf)

### **Establishment of Whistle Blower Policy/Vigil Mechanism**

The Company has established a Vigil Mechanism and Whistle-Blower policy. This policy aims to provide an avenue for stakeholders to raise genuine concerns of any violations of legal or regulatory requirements, actual or suspected fraud or violation of the Company's code of conduct and ethical business practices. The vigil mechanism and whistle blower policy inter-alia provide a direct access to the Chairperson of the Audit Committee. The establishment of vigil mechanism and whistle blower policy is available on the website of the Company at <https://www.praxisretail.in/assets/download/Vigil-Mechanism-and-Whistle-Blower-Policy.pdf>

**Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations**

Not applicable

**Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors is a part.**

The Company has paid an aggregate amount of ₹ 22.42 Lakhs (Rupees Twenty Two Lakhs and Forty Two Thousand only) to the Statutory Auditors – M/s. Singhi & Co., Chartered Accountants towards the Audit Remuneration and other services. There was no other payment made to any network firm/ network entity of which the Statutory Auditors is a part.

**Details of Non-compliance, if any**

The Company has complied with all the requirements of regulatory authorities. There were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange(s) or Securities and Exchange Board of India or any statutory authority, on any matter related to the capital markets.

**Unclaimed Shares**

In accordance with the requirement of Regulation 34(3) and Schedule V of Part F of Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 01, 2022	900	27,024

Particulars	Number of shareholders	Number of equity shares
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
Shareholders to whom shares were transferred from the suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2023	900*	27,024*

The Voting Rights on the shares outstanding in the suspense account as on March 31, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

\* Out of the total unclaimed shares, 5,035 equity shares of the Company held by 184 shareholders refer to the shares allotted pursuant to the Scheme of Arrangement between Future Retail Limited ('FRL') and Bluerock eServices Private Limited ('BSPL') and Praxis Home Retail Limited ('PHRL' or 'the Resulting Company' or 'the Company') and their respective Shareholders under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Scheme"), 1 (one) equity share of the Company was allotted to shareholders of Future Retail Limited (FRL) for every 20 equity shares held by them in FRL on November 30, 2017, being the Record Date. Accordingly, 5,035 equity shares allotted on December 8, 2017 against 1,00,710 equity shares of FRL lying in the Unclaimed Suspense Account held by 184 shareholders were credited to the Unclaimed Suspense Account opened and maintained by the Company in this regard.

Further, the Company has transferred 21,989 equity shares of the Company held by 716 shareholders to the aforesaid Unclaimed Suspense Account after sending three (3) reminders to them in accordance within accordance with Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI.

For and on behalf of the Board of Directors

**Praxis Home Retail Limited**

**Mahesh Shah**

Managing Director

DIN: 01488017

**Place:** Mumbai

**Date:** May 27,2023

**PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE**

To,

**The Members**

**Praxis Home Retail Limited**

Mumbai.

I have examined the compliance of conditions of 'Corporate Governance' by **PRAXIS HOME RETAIL LIMITED ("the Company")** for the **Financial Year ended March 31, 2023** as stipulated in Regulations 17 to 27 and

Sub-Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to verify the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the provisions relating to Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I hereby certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable. Accordingly, during the year under review, there were changes in the composition of the Board of Directors. Ms. Avni Biyani, Non-Executive Non-Independent Director and Mr. Shrirang Sarda, Non-Executive Non-Independent Director resigned w.e.f. December 08, 2022 and March 21, 2023 respectively. Further, the Company at its Board Meeting held on March 14, 2023 appointed Mr. Samson Samuel, as Additional Non-Executive Non-Independent Director\* of the Company w.e.f. March 14, 2023. As on March 31, 2023, the Board comprised of 5 (Five) Directors including one Independent Woman Director and one Non-Executive Non-Independent Director, however the Company is in process for appointing a Director to fill up the vacancy. Also accordingly, changes in some of the Board Committees took place during the year under review, which were carried out in compliance with the provisions of the Companies Act, 2013 and also the Listing Regulations. Further, none of the Directors on the Board is serving as an Independent Director in more than the limits as specified in Regulation 25 of the Listing Regulations.

**Remarks:** Further, as on report date Ms. Lynette Monteiro, has been appointed as an Additional Non-Executive Non-Independent Director w.e.f. April 13, 2023. After such appointment, the Board comprised of 6 (Six) Directors in compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

\* The Board of Directors has appointed Mr. Samson Samuel as Additional Non-Executive Non-Independent Director w.e.f. March 14, 2023. Subsequently, the Shareholders of the Company by way of Postal Ballot have approved the appointment of Mr. Samuel, as Non-Executive Non-Independent Director w.e.f. April 16, 2023.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **ANANT GUDE & ASSOCIATES,**

**Anant Gude**

**Practicing Company Secretary**

**Proprietor**

**ACS No.7219 / CP No.18623**

**UDIN: A007219E000349033**

**Place: Mumbai**

**Dated: May 22, 2023**

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT  
FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

To  
The Members  
**PRAXIS HOME RETAIL LIMITED**

I Mahesh Shah, Managing Director of the Praxis Home Retail Limited, hereby declare that pursuant to Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Directors and Senior Managerial Personnel of the Company have affirmed in writing, their Compliances with the Company's Code of Conduct for Directors and Senior Management during the year ended on March 31, 2023.

For **PRAXIS HOME RETAIL LIMITED**

**Place:** Mumbai  
**Date:** May 27, 2023

**Mahesh Shah**  
Managing Director  
DIN: 01488017

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

**The Members of**

**PRAXIS HOME RETAIL LIMITED**

iThink Techno Campus,

Jolly Board Tower-D, Ground Floor,

Kanjurmarg (East),

Mumbai – 400042.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PRAXIS HOME RETAIL LIMITED** having **CIN: L52100MH2011PLC212866** and having registered office at iThink Techno Campus, Jolly Board Tower-D, Ground Floor, Kanjurmarg (East), Mumbai – 400042; (hereinafter referred to as 'the Company'), produced before me by the Company in digital mode for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that **NONE of the Directors** on the Board of the Company as stated below for the **Financial Year ended March 31, 2023** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>DIN</b>	<b>Date of Appointment</b>	<b>Date of Cessation (w.e.f)</b>
1	Mr. Mahesh Shah	Managing Director	01488017	05-05-2021	-
2	Mr. Jacob Mathew	Independent Director	00080144	26-03-2021	-
3	Mr. Harminder Sahni	Independent Director	00576755	26-03-2021	-
4	Ms. Anou Singhvi	Independent Director	07572970	30-06-2021	-
5	Mr. Samson Samuel *	Non-Executive Non-Independent Director	07523995	14-03-2023	-

\* The Board of Directors has appointed Mr. Samson Samuel as Additional Non-Executive Non-Independent Director w.e.f. March 14, 2023. Subsequently, the Shareholders of the Company by way of Postal Ballot have approved the appointment of Mr. Samuel, as Non-Executive Non-Independent Director w.e.f. April 16, 2023.

**Remarks:** Further, as on report date Ms. Lynette Monteiro (DIN: 07901400) has been appointed as an Additional Non-Executive Non-Independent Director w.e.f. April 13, 2023. Ms. Monteiro is also not debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.



Ensuring the eligibility of for the appointment/ continuity of every Director on the Board, is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

I have relied upon the records made available by the Company. I have also relied upon the explanations furnished by the Company and its Directors.

Thanking you,

Yours faithfully,

**For ANANT GUDE & ASSOCIATES,**

**Anant Gude**  
**Practicing Company Secretary**  
**Proprietor**  
**ACS No.: 7219 / CP No.: 18623**  
**UDIN: A007219E000348901**

**Place: Mumbai**

**Dated: May 22, 2023**

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Praxis Home Retail Limited**

## 1. QUALIFIED OPINION

We have audited the accompanying financial statements of Praxis Home Retail Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

## 2. BASIS FOR QUALIFIED OPINION

As stated in note no. 41 of the financial statements, the Company has "Deposit receivables towards matured lease agreement (which were given in the nature of security deposit)" from a related party of an amount of Rs. 10,100 lakhs. The Company has not identified & recognized loss allowance for expected credit losses (ECL) on such other receivables, which is not in conformity with the requirements of Ind AS 109 "Financial Instruments". Considering the available financial position / statement of such related party where there is an indication about material uncertainty towards its ability to continue as going concern and where an Interim Resolution Professional

has been appointed by Hon'ble National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 and other relevant surrounding circumstances, we are unable to determine and quantify whether this amount will be fully recoverable and it requires any provision of ECL. Further, as stated in note no. 49, the balances of payables and receivables are subject to confirmation and reconciliation, if any. Pursuant to the non-determination of the ECL provision & complete availability of balance confirmations, its impact on the losses, net worth and EPS of the Company for the year ended March 31, 2023 and as on the balance sheet date, is not ascertainable.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

## 3. MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

Attention is invited to note no. 44 of the financial statements which states that the Company has incurred net loss of ₹ 2,101.39 lakhs during the year ended March 31, 2023 and, as of that date, the Company's current liabilities exceed its current assets which indicate a material uncertainty that may cast a significant doubt on the Company's ability to continue as a going concern. However, the financial statements are prepared on a

going concern basis for the reasons stated in the aforesaid note.

Our conclusion is not modified in respect of this matter.

#### 4. EMPHASIS OF MATTER

Attention is invited to note no. 18 of the financial statements which states that the Company could not redeem the 9% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each (“NCRPs”) aggregating to ₹ 630.00 lakhs held by

the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Future Enterprises Limited (“FEL”) which were due for redemption on December 08, 2022, for the reasons stated therein.

Our conclusion is not modified in respect of this matter.

#### 5. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in

Key audit matters	How our audit addressed the key audit matters
<p><b>i) Inventories</b></p> <p>As of March 31, 2023, the total inventory aggregates to ₹ 6,633.64 lakhs in the financial statements of the Company which represents 21% of the total assets of the Company. Refer note 9 of the financial statements.</p> <p>For accounting principles and relevant accounting policy on inventory refer note 2.12 to the financial statements.</p> <p>The Company is exposed to risk of slow-moving and/or obsolete inventory as a result of seasonal/festival demand for products and shrinkages in the inventory.</p> <p>Significant judgment is required for the estimation of the net realisable value and allowance for slow-moving and obsolete inventories. Such estimation is made after taking into consideration factors such as movement in price, current and expected future market demand and pricing competition.</p> <p>As such, we determined that this is a key audit matter.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- We have obtained list of inventories lying at various stores / warehouses along with the details of it’s carrying value from the management as at March 31, 2023;</li> <li>- Assessed the appropriateness of the Company’s accounting policy for valuation of inventories.</li> <li>- We have verified the valuation of different categories of inventories on test check basis;</li> <li>- We evaluated the appropriateness of the basis and processes used by management in determining the net realisable value of inventories.</li> <li>- We have obtained the Physical Verification report, for the physical verification carried out during the year by the stock auditor of the Company for different locations and relied upon their reports.;</li> <li>- We obtained inventory reports for calculation of the shrinkage value of inventories lying at various stores /warehouse from the management, which has been performed by the stock auditor.</li> <li>- We reviewed the Company’s disclosures towards inventories which is as mentioned in note 9 of the financial statements.</li> </ul>

**Key audit matters****How our audit addressed the key audit matters****ii) Accounting for Leases under Ind AS 116**

As at March 31, 2023, the Company has Right of Use (RoU) assets (net value) of Rs.10,364.48 lakhs and Lease liabilities (non-current and current) of Rs.10,402.01 lakhs recognized under Ind AS 116 pertaining to the premises leased by the Company, which represents 33% of the total assets and total equity & liabilities of the Company. Ind AS 116 has a significant impact on the reported assets, liabilities and the statement of profit & loss of the Company.

Accounting under Ind AS 116, requires significant judgement and estimate in identification of lease arrangement and lease period, determining the RoU assets and lease liabilities using the appropriate discount rate, appropriate recognition of rent concession and modification to terms of the underlying agreements. Accordingly, the same is considered a key audit matter in our audit of the financial statements.

Our audit procedures included but were not limited to the following:

- Assessed the design and implementation of the key controls relating to the determination of the Ind AS 116 impact disclosure.
- We have read a sample of contracts to assess whether leases have been appropriately identified, agreed the inputs used in the quantification to the lease agreements the discount rate applied and performed computation checks.
- Assessed the accuracy of the lease data by testing the lease data captured by Management for a sample of leases through the inspection of lease documentations.
- Tested the completeness of the lease data by reconciling the Company's existing lease commitments to the lease data used in the Ind AS 116.
- Verification of the data for recognition of lease liability, right of use assets, depreciation and interest.
- Assessed the Company's accounting policy, as stated in the note 2.24 of the financial statement, with respect to recognition of leases to ensure they are in accordance with requirements of Ind AS 116.
- Assessed whether the disclosures included in the notes 3(b) and 33 of the financial statements are in conformity with the applicable standard.

**6. INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion & Analysis, Board's Report and Corporate Governance Report (but does not include the financial statements and our auditor's report thereon) which are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

## **7. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **8. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 9. OTHER MATTER

The comparative financial statements of the Company, as stated in the financial statements, for the year ended March 31, 2022, were audited by the predecessor auditor who expressed an unmodified opinion on those financial statement on May 14, 2022. Accordingly, we do not express any opinion on the figures reported in the financial statements for the year ended March 31, 2022.

Our opinion is not modified in respect of this matter.

## 10. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- i. As required by the Companies (Auditor's report) Order, 2020 ("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" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- ii. As required by section 143 (3) of the Act, based on our audit we report that:
  - a. Except as stated in the paragraph on Basis for Qualified Opinion, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. Except for the possible effects of the matters described in the paragraph on Basis for Qualified Opinion above, 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. Except as stated in the paragraph on Basis for Qualified Opinion, the Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account;
- d. Except for the possible effects of the matters described in the paragraph on Basis for Qualified Opinion above, in our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;
- g. With respect to the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the managerial remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,

2014, as amended in our opinion and to the best of our information and according to the explanations given to us;

- i. The Company has disclosed the impact of pending litigations on the financial position in its financial statements – Refer note 40 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- iv. (a) The Management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented that to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding,

whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that

the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.

**For Singhi & Co.**

Chartered Accountants  
Firm Registration No. 302049E

**Amit Hundia**

Partner  
Membership No. 120761  
UDIN: 23120761BGYVUC9956

Place: Mumbai  
Date: May 27, 2023



## Annexure A to the Independent Auditor's Report of even date on the financial statements of Praxis Home Retail Limited

### Referred to in paragraph [10(i)] under Report on Other Legal and Regulatory Requirements of our report of even date

According to the information and explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment comprising of Right-of-use Assets.
    - B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - b) For the year, the property, plant and equipment have been physically verified by the external professional along with the management. According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - c) The Company does not have any immovable property; hence the provision of the clause 3(i)(c) of the Order is not applicable to the Company.
  - d) During the year, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets.
  - e) According to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) According to the information and explanations given to us and records examined by us, the management of the Company has conducted physical verification of approximately two third of its inventories at reasonable intervals and the coverage and the procedure of such verification by the management / external professional is appropriate. As explained to us and on the basis of records examined by us, the value of discrepancies noticed on physical verification by the management / external professional did not exceed 10% or more in aggregate for the inventory.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ Five crores in aggregate from a bank and a financial institution on the basis of security of current assets. As mentioned in note no. 16(E) of the financial statements, the Company has not submitted all the required details as a part of quarterly returns / statements to these entities. However, certain set of details which have been submitted to these entities on quarterly basis are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and records examined by us, during the year Company has not made any investments, not provided any guarantee or security or granted any loans or advance in nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any Other parties. Further, there were no loans and advances in the nature of loan granted earlier which has been renewed or extended or fresh loans granted to settle the overdues of the existing loan given to the same parties. Hence, the reporting requirements of clause 3(iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, during the year, the Company has not granted loans, made investments, given guarantees and securities. Hence, the reporting requirements of clause 3(iv) of the Order is not applicable to the Company.

- (v) According to the information and explanations given to us, during the year, the Company has not accepted any deposits or amounts which are deemed to be deposits under the provisions of the Companies Act, 2013. Hence, the reporting requirements of clause 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the Order is not applicable to the Company.
- (vii) Based on the records examined by us and according to the information and explanations given to us:
- a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, duty of customs, goods & service tax (GST), cess and other material statutory dues applicable to it, with the appropriate authorities though there has been a slight delay in a few cases. However, there have been non reversal of input tax credit availed on GST for payables (including ITC availed on purchases made on SOR basis) outstanding at any point in time for more than 180 days, amount of which is not quantifiable. As explained to us, the Company did not have any dues on account of sales tax, service tax, duty of excise and value added tax.
- b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable except for non reversal of input tax credit availed on GST for payables (including ITC availed on purchases made on SOR basis) outstanding for more than 180 days, under the Central and State Goods and Services Tax Acts, amount of which is ₹ 254.60 lakhs for the various periods and for the various due dates.
- c) Statutory dues referred to in sub- clause (a) above which have not been deposited as on 31 March 2023, on account of disputes are given below:

Name of the Statute	Nature of Due	Amount (₹ in Lakhs)	Amount paid under Protest (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	34.13	6.82	AY 2018-19	CIT (Appeals), Mumbai
Income Tax Act, 1961	Income tax	50.72	10.14	AY 2019-20	CIT (Appeals), Mumbai
Income Tax Act, 1961	Income tax	28.96	5.79	AY 2020-21	CIT (Appeals), Mumbai
Central Goods and Service Tax Act, 2017	Goods and Service Tax	367.88	Nil	November 2017 to September 2019	Directorate General of Anti Profiteering

- (viii) According to the information, explanations and representation given to us, during the year, there are no transactions which have not been recorded in the books of account which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) On the basis of our examination of the records and according to the information and explanations given to us and representation received from the management, during the year:
- a) the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

- b) the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
  - c) the Company has not availed any term loans during the year accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company.
  - d) no funds raised on short-term basis have been used for long-term purposes by the Company.
  - e) the Company does not have any subsidiary, associate or joint venture. Hence, the reporting requirements under clause 3(ix) (e) and (f) of the Order is not applicable.
- (x) a) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence reporting requirements under paragraph 3 (x)(a) of the Order is not applicable to the Company.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) a) According to the information, explanation and representations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- b) According to the information, explanation and representations given to us for the erstwhile auditors existed in the current year and to the best of our knowledge, during the year and upto the date of this report, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information, explanation and representations given to us by the management, during the year, there were no whistle blower complaints received by the Company.
- (xii) The Company is not a nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management, all the transactions entered during the year with the related parties are in compliance with section 177 and 188 of the Act where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures.
- (xiv) a) In our opinion, internal audit system needs to be made commensurate with the size and the nature of the business of the Company.
- b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till the date while determining the nature, timing and extent of audit procedures.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Hence, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934.
- b) The Company has not conducted any Non- Banking Financial or Housing Finance Activities as prescribed under the Reserve Bank of India Act, 1934.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable.
- d) According to the information, explanations and representation given to us, there is no CIC in the Group.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, during the year, the Company has incurred cash losses of ₹ 3,825.44 lakhs. The effect of unquantified qualification given in paragraph 2 of our independent auditor's report has not been taken into consideration for the purpose of reporting in respect of this clause. The Company has not incurred cash losses in the immediately preceding financial year.

(xviii) During the year, there has been no resignation of the Statutory Auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios (also refer note 53 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there is an indication that material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance

as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Based on the examination of records of the Company and according to the information and explanations given to us, due to the losses incurred by the Company, the conditions and requirements of section 135 of the act is not applicable to the Company. Hence, reporting requirements under the clause 3(xx)(a) and (xx)(b) of the Order are not applicable.

(xxi) The Company did not have any subsidiary, associate or joint venture and hence, reporting requirements under the clause 3(xxi) of the Order is not applicable.

**For Singhi & Co.**

Chartered Accountants  
Firm Registration No. 302049E

**Amit Hundia**

Partner

Membership No. 120761  
UDIN: 23120761BGVUC9956

Place: Mumbai  
Date: May 27, 2023

## Annexure B to the Independent Auditor's Report of even date on the financial statements of Praxis Home Retail Limited

**Referred to in paragraph [10(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date**

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting with reference to the Financial Statements of Praxis Home Retail Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that

we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **QUALIFIED OPINION**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2023:

- a. The Company's internal financial controls with regards to maintenance of back up process for user data files, user access review and review of IT policy documents, were not operating effectively; and
- b. The Company's internal financial controls with regards to maintenance of details for the gift voucher / gift coupon issued by it, were not operating effectively and it has not identified and tested the risks and controls in relation to transactions carried out under Sale or Return (SOR) basis arrangement.

These matters could have potential impact on the relevant areas of the financial statements / information technology general controls of the Company.

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

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the internal control weaknesses described above on the achievements of the objectives of the control criteria, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and such internal financial controls over financial reporting with reference to financial statements of the Company were operating effectively as of March 31, 2023.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2023 financial statements of the Company, and these material weaknesses do not affect our opinion on the financial statements of the Company.

**For Singhi & Co.**

Chartered Accountants  
Firm Registration No. 302049E

**Amit Hundia**

Partner

Membership No. 120761  
UDIN: 23120761BGVUC9956

Place: Mumbai  
Date: May 27, 2023

# Balance Sheet as at March 31, 2023

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>			
<b>1. Non-Current Assets</b>			
Property, Plant and Equipment	3 (a)	1,135.96	88.20
Capital Work-In-Progress	5	15.07	118.64
Right-of-use Assets	3 (b)	10,364.48	10,381.88
Other Intangible Assets	4	17.43	16.37
Financial Assets			
Other Financial Assets	6	825.95	267.60
Other Non-Current Assets	7	53.11	148.62
Non-Current Tax Assets	8	76.87	38.15
<b>Total Non-Current Assets</b>		<b>12,488.87</b>	<b>11,059.46</b>
<b>2. Current Assets</b>			
Inventories	9	6,633.64	14,224.83
Financial Assets			
Trade Receivables	10	143.65	8.30
Cash and Cash Equivalents	11	178.54	649.30
Bank Balance other than Cash and Cash Equivalents above	12	3.31	3.31
Other Financial Assets	6	10,608.42	12,959.82
Other Current Assets	7	1,179.87	2,080.50
<b>Total Current Assets</b>		<b>18,747.43</b>	<b>29,926.06</b>
<b>Total Assets</b>		<b>31,236.30</b>	<b>40,985.52</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	13	3,783.51	3,765.41
Other Equity	14	(5,578.48)	(3,688.84)
<b>Total Equity</b>		<b>(1,794.97)</b>	<b>76.57</b>
<b>Liabilities</b>			
<b>1. Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	16	549.32	823.98
Lease Liabilities	33(b)	7,307.04	8,021.86
Provisions	15	197.04	371.12
<b>Total Non-Current Liabilities</b>		<b>8,053.40</b>	<b>9,216.96</b>
<b>2. Current Liabilities</b>			
Financial Liabilities			
Borrowings	16	4,788.47	7,420.94
Lease Liabilities	33(b)	3,094.97	4,552.70
Trade Payables			
- Total Outstanding dues of Small and Micro Enterprises	17	2,140.17	2,272.16
- Total Outstanding dues of Creditors other than Small and Micro Enterprises	17	11,910.05	14,607.21
Other Financial Liabilities	18	1,590.16	356.48
Other Current Liabilities	19	1,431.39	2,436.84
Provisions	15	22.66	45.66
<b>Total Current Liabilities</b>		<b>24,977.87</b>	<b>31,691.99</b>
<b>Total Equity and Liabilities</b>		<b>31,236.30</b>	<b>40,985.52</b>

The accompanying notes 1 to 55 are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of Board of Directors

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Mahesh Shah**  
Managing Director  
DIN:01488017

**Harminder Sahni**  
Chairman  
DIN: 00576755

**Amit Hundia**  
Partner  
Membership No.: 120761

**Samir Kedia**  
Chief Financial Officer

**Sanu Kapoor**  
Company Secretary

Mumbai  
May 27, 2023

# Statement of Profit and Loss

for The Year Ended March 31, 2023

(₹ in Lakhs)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>INCOME</b>			
Revenue From Operations	20	38,604.55	39,889.22
Other Income	21	937.11	8,214.46
<b>Total Income</b>		<b>39,541.66</b>	<b>48,103.68</b>
<b>Expenses</b>			
Purchase of Stock In Trade		16,317.61	27,934.79
Change in Inventories of Stock-In-Trade (Increase)/Decrease	22	7,331.00	(4,193.46)
Employee Benefits Expense	23	6,036.86	6,571.23
Finance Costs	24	2,175.98	2,302.79
Depreciation and Amortisation Expense	3 & 4	3,602.62	4,289.34
Other Expenses	25	9,289.26	9,775.44
<b>Total Expenses</b>		<b>44,753.33</b>	<b>46,680.12</b>
<b>Profit / (Loss) before Exceptional Items and Tax</b>		<b>(5,211.67)</b>	<b>1,423.56</b>
Exceptional Items	48	3,110.28	-
<b>Profit / (Loss) before Tax and after Exceptional Items</b>		<b>(2,101.39)</b>	<b>1,423.56</b>
<b>Tax Expense</b>	36		
- Current Tax		-	-
- Deferred Tax		-	-
<b>Profit/(Loss) for the Year</b>		<b>(2,101.39)</b>	<b>1,423.56</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to statement of profit and loss</b>			
(a) Remeasurements of Defined benefit plans- Gain/(Loss)	29	(61.70)	38.48
(b) Income Tax relating to above		-	-
<b>Other Comprehensive Income/(Loss) For The Year</b>		<b>(61.70)</b>	<b>38.48</b>
<b>Total Comprehensive Income/(Loss) For The Year</b>		<b>(2,163.09)</b>	<b>1,462.04</b>
<b>Earnings Per Equity Share of Face Value of ₹ 5/- each</b>	31		
Basic		(2.79)	2.74
Diluted		(2.79)	2.74

The accompanying notes 1 to 55 are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of Board of Directors

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Mahesh Shah**  
Managing Director  
DIN:01488017

**Harminder Sahni**  
Chairman  
DIN: 00576755

**Amit Hundia**  
Partner  
Membership No.: 120761

**Samir Kedia**  
Chief Financial Officer

**Sanu Kapoor**  
Company Secretary

Mumbai  
May 27, 2023



# Statement of Cash Flow for The Year Ended March 31, 2023

(₹ in Lakhs)

Sr No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>A</b>	<b>Cash Flows From Operating Activities</b>		
	Profit / (Loss) Before Tax	(2,101.39)	1,423.56
	<b>Adjustments For:</b>		
	Depreciation and Amortisation Expenses	3,602.62	4,289.34
	Interest income on Fair Value of Financial Asset	(251.66)	-
	Provision for Gratuity and Leave Encashment	262.71	97.84
	Provision for Doubtful Debts	338.16	-
	Finance Costs	2,139.68	2,253.79
	Unwinding Interest on Financial Instrument at Amortised Cost	36.30	49.00
	Employee stock option expenses	273.46	69.74
	Loss on Damaged/Shrinkage and Obsolete Inventory	355.80	267.10
	Payment of Incidental cost of Leases	(40.59)	-
	Write Back of Liabilities	(1,941.77)	(662.12)
	Write Back of Lease Liabilities	(1,792.63)	(26.31)
	Rent Concessions	-	(2,445.23)
	<b>Cash Generated (Used in)/from before Working Capital Changes</b>	<b>880.69</b>	<b>5,316.71</b>
	<b>Adjustments For:</b>		
	Trade Receivables	(135.36)	603.42
	Loans, Other Financial Assets and Other Assets	1,581.45	(234.11)
	Inventories	7,235.39	(5,327.59)
	Trade Payables	(887.38)	2,540.31
	Other Financial Liabilities, Other Liabilities and Provisions	(1,194.49)	(544.91)
	<b>Cash Generated from / (Used in) Operations</b>	<b>7,480.30</b>	<b>2,353.83</b>
	<b>Income Tax (Paid)/Refund</b>	<b>(38.72)</b>	<b>19.75</b>
	<b>Net Cash Flows Generated from / (Used in) Operating Activities</b>	<b>7,441.58</b>	<b>2,373.58</b>
<b>B</b>	<b>Cash Flows From Investing Activities</b>		
	Purchase of Property, Plant and Equipment and Intangible Assets (Net of Capital Creditors)	(1,020.01)	(253.13)
	<b>Net Cash flow Generated from / (Used In) Investing Activities</b>	<b>(1,020.01)</b>	<b>(253.13)</b>
<b>C</b>	<b>Cash Flows From Financing Activities</b>		
	Proceeds from Issue of Equity Shares	18.10	4,948.54
	(Repayment)/Proceeds from Short term Borrowings (Net)	(2,038.77)	(431.88)
	Repayment of Long term Borrowings	(274.66)	-
	Payment of Lease Liability	(3,696.04)	(5,641.44)
	Interest Paid	(900.95)	(828.82)
	<b>Net Cash flow Generated from / (Used In) Financing Activities</b>	<b>(6,892.32)</b>	<b>(1,953.60)</b>
	<b>Net (Decrease) / Increase In Cash and Cash Equivalents</b>	<b>(470.75)</b>	<b>166.84</b>

# Statement of Cash Flow

for The Year Ended March 31, 2023

(₹ in Lakhs)

Sr No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	<b>Net (Decrease) / Increase In Cash and Cash Equivalents</b>	<b>(470.75)</b>	<b>166.84</b>
	Cash and Cash Equivalents at the beginning of the year	649.30	482.46
	<b>Cash and Cash Equivalents at year end</b>	<b>178.54</b>	<b>649.30</b>
	<b>Components of Cash and Cash Equivalents</b>		
	Balances with Banks - In Current Accounts	134.82	604.04
	Cheques on Hand	19.94	13.02
	Cash on Hand	23.78	32.24
	<b>Total Cash and Cash Equivalents</b>	<b>178.54</b>	<b>649.30</b>
	<b>Changes in liabilities arising from financing activities</b>		
	Opening balance of borrowings	8,244.92	8,627.80
	Proceeds from borrowings	950.00	1,750.00
	Unwinding Interest on Financial Instrument at Amortised Cost	36.30	49.00
	Repayment of borrowings	(3,263.43)	(2,181.88)
	<b>Closing balance of borrowings (Refer note (ii))</b>	<b>5,967.79</b>	<b>8,244.92</b>

**Notes:**

- (i) The above statement of Cash Flows has been prepared under indirect method as set out in Ind AS, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- (ii) Refer note 18 of the notes to account. As mentioned therein, there has been a change in the classification of liability on account of non redemption of preference shares in the financial statements. However, for the purposes of disclosure in statement of cash flows for the year ended March 31, 2023, balances of borrowing continued to includes ₹ 630.00 lakhs of unredeemed preference shares, which is classified under Other Current Financial Liabilities in the balance sheet as there is no movement in the cash flows on account of such non redemption.

The accompanying notes 1 to 55 are an integral part of the financial statements.

As per our report of even date attached

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Amit Hundia**  
Partner  
Membership No.: 120761

Mumbai  
May 27, 2023

**Mahesh Shah**  
Managing Director  
DIN:01488017

**Samir Kedia**  
Chief Financial Officer

**For and on behalf of Board of Directors**

**Harminder Sahni**  
Chairman  
DIN: 00576755

**Sanu Kapoor**  
Company Secretary

# Statement of Change in Equity for the year ended March 31, 2023

## (A) EQUITY SHARE CAPITAL \*

(₹ in Lakhs)

Balance as at April 01, 2022	Changes in Equity Share Capital during the year	Balance as at March 31, 2023
3,765.41	18.10	3,783.51

(₹ in Lakhs)

Balance as at April 01, 2021	Changes in Equity Share Capital during the year	Balance as at March 31, 2022
1,519.16	2,246.25	3,765.41

\* Restated balances at the beginning of the reporting period and changes in equity share capital due to prior period errors is Nil.

## (B) INSTRUMENTS ENTIRELY EQUITY IN NATURE ^

Balance as at April 01, 2022	Changes in Instruments entirely Equity in Nature during the year	Balance as at March 31, 2023
0.00	0.00	0.00

(₹ in Lakhs)

Balance as at April 01, 2021	Changes in Instruments entirely Equity in Nature during the year	Balance as at March 31, 2022
1,405.00	1,405.00	0.00

^ Restated balances at the beginning of the reporting period and changes in Instruments entirely Equity in Nature due to prior period errors is Nil.

## (C) OTHER EQUITY

(₹ in lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Share-Based Payment Reserve (Refer Note No. 30)	Retained Earnings	
<b>Balance as at April 01, 2022</b>	<b>7,968.34</b>	<b>9,914.78</b>	<b>5.00</b>	<b>108.90</b>	<b>(21,685.89)</b>	<b>(3,688.84)</b>
Profit/(Loss) for the year	-	-	-	-	(2,101.39)	(2,101.39)
Remeasurements of Defined benefit plans	-	-	-	-	(61.70)	(61.70)
<b>Total Comprehensive Income For The Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,163.09)</b>	<b>(2,163.09)</b>
Share based payments	-	-	-	273.46	-	273.46
Adjustment pursuant to Employee Share Based Plan (ESOP Scheme)	-	-	-	(40.90)	40.90	-
Exercise of Share Options	-	235.84	-	(235.84)	-	-
<b>Balance as at March 31, 2023</b>	<b>7,968.34</b>	<b>10,150.62</b>	<b>5.00</b>	<b>105.62</b>	<b>(23,808.10)</b>	<b>(5,578.48)</b>

**Note:** There were no changes in other equity due to changes in accounting policies or prior period errors.

# Statement of Change in Equity for the year ended March 31, 2023

(₹ in lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Share- Based Payment Reserve (Refer Note No. 30)	Retained Earnings	
<b>Balance as at April 01, 2021</b>	<b>7,968.34</b>	<b>5,807.50</b>	<b>5.00</b>	<b>39.16</b>	<b>(23,147.93)</b>	<b>(9,327.90)</b>
Profit/(Loss) for the year	-	-	-	-	1,423.56	1,423.56
Remeasurements of Defined benefit plans	-	-	-	-	38.48	38.48
<b>Total Comprehensive Income For The Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,462.04</b>	<b>1,462.04</b>
Share based payments	-	-	-	69.74	-	69.74
Addition during the year - Pursuant to the Conversion of Compulsorily Convertible Debentures into Equity Shares	-	1,338.73	-	-	-	1,338.73
Addition during the year - Pursuant to Rights Issue	-	2,768.55	-	-	-	2,768.55
<b>Balance as at March 31, 2022</b>	<b>7,968.34</b>	<b>9,914.78</b>	<b>5.00</b>	<b>108.90</b>	<b>(21,685.89)</b>	<b>(3,688.84)</b>

**Note:** There were no changes in other equity due to changes in accounting policies or prior period errors. The accompanying notes 1 to 55 are an integral part of the financial statements.

As per our report of even date attached

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Amit Hundia**  
Partner  
Membership No.: 120761

Mumbai  
May 27, 2023

**Mahesh Shah**  
Managing Director  
DIN:01488017

**Samir Kedia**  
Chief Financial Officer

For and on behalf of Board of Directors

**Harminder Sahni**  
Chairman  
DIN: 00576755

**Sanu Kapoor**  
Company Secretary

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 1. CORPORATE INFORMATION

Praxis Home Retail Ltd (“PHRL” or “the Company”) was originally incorporated on January 31, 2011 as GRN Energy Private Limited with the Registrar of Companies, Maharashtra at Mumbai (“RoC”). Further, name of the Company was changed to GRN Retail Private Limited and a fresh certificate of incorporation was issued on December 21, 2016 by RoC. Furthermore, name of the Company was changed to Praxis Home Retail Private Limited and a fresh certificate of incorporation was issued on January 5, 2017 by RoC. Pursuant to the Composite Scheme of Arrangements under the relevant provisions of the Companies Act, 2013, the Company became a public Company domiciled in India.

The Company is engaged in the business of Home Retailing through departmental stores under various formats across the country.

The Company is a public limited Company which is listed on two recognised stock exchanges in India. The Company is incorporated and domiciled in India under the provisions of the Companies Act, 2013 (erstwhile the Companies Act, 1956). The registered office of the Company is located at Mumbai, Maharashtra, India.

These financial statements of the Company for the year ended March 31, 2023 were authorized for issue by the board of directors on May 27, 2023.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Compliance with Indian Accounting Standard (Ind AS):

The financial statements of the Company have been prepared and comply in all material aspects with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules and other accounting principles. The policies set out below have been consistently applied during the period presented except where a newly issued accounting standard or revision in existing accounting standard requires change in accounting policy hitherto in use.

### 2.2 Basis of Preparation

The financial statements are presented in ‘Indian Rupees’, which also is the Company’s functional currency and all amounts, are rounded to the nearest Lakhs, with two decimals, unless otherwise stated.

The financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations as amended from time to time.

### 2.3 Basis of Measurement

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

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- defined benefit plans - planned assets measured at fair value

### 2.4 Use of judgements, estimates & assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, the disclosure of contingent asset and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of such changes in the circumstances surrounding the estimates. Changes in estimate are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 2.5 Revenue Recognition

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and stated net of discounts, returns, applicable taxes.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

### **Interest Income**

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

### **Dividend Income**

Dividend income is recognised when the Company's right to receive such dividend is established.

### **Gift Voucher**

The Company issues Gift Vouchers with 1 year validity. The Gift Vouchers which are unutilized at the end of their validity period is recognized as income.

## 2.6 Purchase of Goods under Sale or Return basis

The Company also purchases inventories on a Sales or Return basis (SOR) where cost of such purchases / trade payables becomes due when such inventories are being sold off. Under SOR basis, the Company does not have any ownership rights of the said inventory but it acts as a custodian for the inventory till the same are being sold or returned. The Company has a right to return the inventory to the vendor at any point prior to its sales. On the Balance sheet date, the Company reverses the value of such inventories which are acquired on SOR basis and are in its possession along with the simultaneous reversal of such amount from purchases/trade payables.

## 2.7 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment losses if any. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

Capital work-in-progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

The Cost of Property, Plant and Equipment acquired in a business combination is recorded at fair value less cost to sell as on the date of business combination.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount.

Property, Plant and Equipment are eliminated from the financial statements, either on disposal or when retired from active use.

The residual values, useful lives and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Property, Plant and Equipment are depreciated under the written down value method as per the useful life and in the manner prescribed in Part "C" Schedule II to the Act, except for Leasehold Improvements which are amortised over the life of right of use asset.

<b>Assets</b>	<b>Useful life</b>
Furniture & Fixtures	10 years
Office Equipment	5 years
Plant & Machinery	15 years
Electrical Installations	10 years
Computers, Laptops and IT equipment	3 years
Leasehold Improvements	Over the life of right of use asset

## 2.8 Intangible Assets

Intangible assets are stated at acquisition cost and other costs incurred, which is attributable to preparing the assets for its intended use, less accumulated Amortisation and accumulated impairment losses, if any. The cost of intangible assets acquired in a business combination is recorded at fair value on the date of acquisition.

Intangible assets are amortised on straight line basis over their estimated useful economic life. The estimated useful life of the assets is five years.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The useful lives and methods of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

## 2.9 Impairment of Non-Financial Assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2.10 Current and Non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle.

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

## **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- i) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle or
- ii) It is held primarily for the purpose of being traded or
- iii) It is expected to be realised within 12 months after the reporting date or,
- iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

## **Liabilities**

A liability is classified as current when it satisfies any of the following criteria

- i) It is expected to be settled in the Company's normal operating cycle or
- ii) It is held primarily for the purpose of being traded or
- iii) It is due to be settled within 12 months after the reporting date or,
- iv) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax asset and liabilities are classified as non-current assets and liabilities.

## **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's operating cycle is within a period of 12 months.

## **2.11 Fair value measurement**

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for recurring and non-recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Disclosures for valuation methods, significant estimates and assumptions of Financial instruments (including those carried at amortized cost) (Refer note 26) and Quantitative disclosures of fair value measurement hierarchy (Refer note 26).

## 2.12 Derivatives

Derivatives including forward contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Company does not designate their derivatives as hedges and such contracts are accounted for at fair value through profit or loss and are included in the Statement of Profit and Loss.

In respect of derivative transactions, gains / losses are recognised in the Statement of Profit and Loss on settlement.

On a reporting date, open derivative contracts are revalued at fair values and resulting gains / losses are recognised in the Statement of Profit and Loss.

## 2.13 Trade receivables

Trade receivables are initially measured at transaction price excluding any financing arrangements in sale transactions of the Company. Trade receivables are initially measured at transaction price excluding any financing arrangements in sale transactions of the Company. Expected Credit Loss is assessed and recognized as per Financial Instrument policy in 2.15

## 2.14 Inventories

Inventories are valued at lower of cost and net realizable value. Costs of Inventories are computed on Weighted Average basis. Cost

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

includes purchase cost and other costs incurred to bringing the inventory to its location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## 2.15 Financial Instruments

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values on initial recognition, except for trade receivables, which are initially measured at transaction price.

### (A) Financial Assets:

#### a) Classification

The Company shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### b) Initial Recognition and Measurement

The Company recognizes financial asset and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial asset and liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial asset and financial liabilities that are not fair value through Profit or loss, are added to the fair value on initial recognition.

#### c) Subsequent Measurement

##### i) Financial asset at Amortized cost

A Financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset

in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal outstanding. Interest income from these financial assets is included in other income using the effective interest rate method.

##### ii) Financial Asset at Fair Value through other comprehensive income (FVOCI)

Financial Asset is subsequently measured through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset and contractual terms of the financial asset give rise on specified dates to the cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains and losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. Further in cases where the Company has made irrevocable election based on its business model, for its investment which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**iii) Financial Asset at Fair value through Profit & Loss (FVTPL)**

A Financial Asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

**d) Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company measures the expected credit loss associated with its trade receivables based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**e) Derecognition of Financial Assets**

A financial asset is derecognised only when:

- Right to receive cash flow from assets have expired or,
- The Company has transferred the rights to receive cash flows from the financial asset or,
- It retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the received cash flows in full without material delay to a third party under a “pass through” arrangement.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(B) Financial Liabilities**

**a) Initial Recognition and Measurement**

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

**b) Subsequent measurement**

Financial liabilities at amortized cost: After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR Amortisation is included in finance costs in the Statement of Profit and Loss.

**i) Borrowings:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at

# Notes

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amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR method.

## ii) Trade and Other Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

## c) Derecognition

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

## (C) Contributed Equity

Equity Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

## 2.16 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that

an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate that reflects current market assessment of the value of money and the risks specific to the liability.

## 2.17 Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A Contingent asset is not recognized in financial statements, however, the same are disclosed where an inflow of economic benefit is probable.

## 2.18 Foreign currency transactions

### a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Indian Rupee. The financial Statements are presented in Indian Rupees.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## **b) Transactions, translation and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

All foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis.

## **2.19 Earnings Per Share**

Basic earnings per equity share are computed by dividing the net profit attributable to the Equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **2.20 Taxes on Income**

Income tax expense for the year comprises of current tax and deferred tax.

### **Current Tax**

Current Income Tax for the current and prior period is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive

income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

## 2.21 Employee benefit

### (i) Short Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as short term employee benefit obligations in the balance sheet

### (ii) Post-Employment Benefits

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and
- (b) defined contribution plans such as provident fund, ESIC, LWF.

#### Defined Benefit Plans

##### Gratuity Obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Defined Contribution Plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

### (iii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 2.22 Share-Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Refer note 30.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 2.23 Statement of Cash Flows

Statement of Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 2.24 Leases

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

The Company assesses at contract inception whether a contract is or contains a lease. That is, of the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### ***Where the Company is the lessee:***

The Company's lease asset classes primarily consists of leases for stores, warehouses and offices taken on lease. The Company assesses whether a contract contains a lease, at inception of a contract and period to be considered for recognition of lease liability and right-of-use assets. At the date of commencement of lease, the Company recognise a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangement in which it is a lessee except for leases with a non-cancellable term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments (including Common Area Maintenance) that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances that is within the control of the Company affects whether the lessee is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term., in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The effective date of the modification is the date when both the parties agree to the lease modification and is accounted for in that point in time.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments (including Common Area Maintenance) made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the non-cancellable Period or lease term as per the management assessment.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of Non-Financial Assets' policy.

Variable rentals that do not depend on an index or rate, are recognised as expenses in the periods in which they are incurred

### ***Where the Company is the Lessor:***

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an assets are classified the asset are classified as operating leases. Rental income arising is accounted for on a straight line basis over the lease terms. Initial direct costs incurred in negotiating and arranging on operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

The Ministry of Corporate Affairs vide notification dated July 24, 2020 and June 18, 2021, issued an amendment to Ind AS 116-Leases, by inserting a Practical Expedient w.r.t "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has elected to apply the Practical Expedient of not assessing the rent concessions as a lease modification for all the rent concession which are granted due to Covid-19 Pandemic and has recognized the impact of such rent concession as other income in the Statement of Profit and Loss.

### **2.25 Business Combination**

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business



# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

combination are measured initially at their fair value on the date of acquisition. Transaction costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Business combination between entities under common control is accounted for using the pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts. The only adjustments that are made are to harmonise accounting policies.

## 2.26 Borrowing Costs

Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

## 2.27 Warranty Costs

Costs of warranty include the cost of labour, material and related overhead necessary to repair a product during the warranty period. The warranty period is usually one to three years. Costs related to warranty are expensed in the period in which they are incurred.

## 2.28 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 2.29 Critical estimates and judgements

The areas involving critical estimates or judgements are:

- ***Estimation of deferred tax assets recoverable***

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has not recognized deferred tax asset which is primarily on account of unused brought forward losses, in the absence of the reasonable certainty that taxable income will be generated in the near future to offset the losses if any, incurred by the Company. Refer note 36 for amounts of such temporary differences on which deferred tax assets are not recognised.

- ***Estimation of defined benefit obligation***

The cost of the defined benefit gratuity plan and other post-employment employee benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Refer note 29 for key actuarial assumptions.

- ***Impairment of trade receivables, loans and other financial assets***

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates.

The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Refer note 27 on financial risk management where credit risk and related impairment disclosures are made.

### **Equity-settled share based payments**

The Company initially measures the cost of equity settled transactions with employees using a Black Scholes Pricing Model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note no. 30.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 3 (a). PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Office Equipment	Furniture and Fixture	Computers	Leasehold Improvements	Plant & Machinery	Electrical Installation	Total
<b>Gross Carrying Amount</b>							
<b>As At April 01, 2021</b>	<b>12.96</b>	<b>-</b>	<b>142.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>155.59</b>
Additions	3.60	42.12	21.36	-	0.39	6.94	74.41
<b>As At March 31, 2022</b>	<b>16.56</b>	<b>42.12</b>	<b>163.99</b>	<b>-</b>	<b>0.39</b>	<b>6.94</b>	<b>229.99</b>
Additions	149.35	799.66	15.98	153.24	4.35	197.78	1,320.36
<b>As At March 31, 2023</b>	<b>165.91</b>	<b>841.77</b>	<b>179.97</b>	<b>153.24</b>	<b>4.74</b>	<b>204.72</b>	<b>1,550.35</b>
<b>Accumulated Depreciation</b>							
<b>As At April 01, 2021</b>	<b>8.40</b>	<b>-</b>	<b>105.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114.28</b>
Depreciation for the Year	1.91	1.13	24.31	-	0.02	0.14	27.51
<b>As At March 31, 2022</b>	<b>10.31</b>	<b>1.13</b>	<b>130.19</b>	<b>-</b>	<b>0.02</b>	<b>0.14</b>	<b>141.79</b>
Depreciation for the Year	46.36	136.84	29.22	29.71	0.72	29.75	272.60
<b>As At March 31, 2023</b>	<b>56.67</b>	<b>137.97</b>	<b>159.42</b>	<b>29.71</b>	<b>0.74</b>	<b>29.89</b>	<b>414.39</b>
<b>Net Carrying Value</b>							
<b>As At March 31, 2022</b>	<b>6.25</b>	<b>40.99</b>	<b>33.80</b>	<b>-</b>	<b>0.37</b>	<b>6.79</b>	<b>88.20</b>
<b>As At March 31, 2023</b>	<b>109.24</b>	<b>703.80</b>	<b>20.55</b>	<b>123.53</b>	<b>4.01</b>	<b>174.83</b>	<b>1,135.96</b>

## 3 (b). Right-of-use Assets

(₹ in Lakhs)

Particulars	Buildings	Office Equipments	Total
<b>Gross Carrying Amount</b>			
<b>As At April 01, 2021</b>	<b>17,350.15</b>	<b>6,982.84</b>	<b>24,332.99</b>
Additions	503.43	-	503.43
Disposals	(525.35)	-	(525.35)
<b>As At March 31, 2022</b>	<b>17,328.22</b>	<b>6,982.84</b>	<b>24,311.06</b>
Additions	12,623.15	-	12,623.15
Modifications	(13,224.61)	-	(13,224.61)
Disposals	(911.10)	(6,982.84)	(7,893.94)
<b>As At March 31, 2023</b>	<b>15,815.66</b>	<b>-</b>	<b>15,815.66</b>

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(₹ in Lakhs)

Particulars	Buildings	Office Equipments	Total
<b>Accumulated Depreciation</b>			
<b>As At April 01, 2021</b>	<b>6,260.06</b>	<b>3,808.83</b>	<b>10,068.89</b>
Depreciation for the Year	2,347.35	1,904.41	4,251.76
Disposals	(391.48)	-	(391.48)
<b>As At March 31, 2022</b>	<b>8,215.93</b>	<b>5,713.24</b>	<b>13,929.17</b>
Depreciation for the Year	3,320.15	-	3,320.15
Modifications	(5,632.72)	-	(5,632.72)
Disposals	(452.19)	(5,713.24)	(6,165.43)
<b>As At March 31, 2023</b>	<b>5,451.18</b>	<b>-</b>	<b>5,451.18</b>
<b>Net Carrying Value</b>			
<b>As At March 31, 2022</b>	<b>9,112.28</b>	<b>1,269.60</b>	<b>10,381.88</b>
<b>As At March 31, 2023</b>	<b>10,364.48</b>	<b>-</b>	<b>10,364.48</b>

#### 4. OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Computer Software	Total
<b>Gross Carrying Amount</b>		
<b>As At April 01, 2021</b>	<b>100.66</b>	<b>100.66</b>
Additions	0.90	0.90
<b>As At March 31, 2022</b>	<b>101.56</b>	<b>101.56</b>
Additions	10.93	10.93
<b>As At March 31, 2023</b>	<b>112.49</b>	<b>112.49</b>
<b>Accumulated Amortisation</b>		
<b>As At April 01, 2021</b>	<b>75.13</b>	<b>75.13</b>
Amortisation expense for the Year	10.07	10.07
<b>As At March 31, 2022</b>	<b>85.19</b>	<b>85.19</b>
Amortisation expense for the Year	9.86	9.86
<b>As At March 31, 2023</b>	<b>95.06</b>	<b>95.06</b>
<b>Net Book Value</b>		
<b>As At March 31, 2022</b>	<b>16.37</b>	<b>16.37</b>
<b>As At March 31, 2023</b>	<b>17.43</b>	<b>17.43</b>

#### Notes:-

- (1) Intangible assets are other than internally generated.
- (2) Balance Useful life of Intangible assets is upto 5 years.
- (3) The Company has not revalued its Property, Plant and Equipment.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 5. CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Total
<b>As At April 01, 2022</b>	<b>118.64</b>
Incurring during the year	1,212.69
Capitalized during the year	(1,316.26)
<b>As At March 31, 2023</b>	<b>15.07</b>
<b>As At April 01, 2021</b>	-
Incurring during the year	170.85
Capitalized during the year	(52.21)
<b>As at March 31, 2022</b>	<b>118.64</b>

### Ageing for Capital Work-in-Progress as on March 31, 2023

(₹ in Lakhs)

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	15.07	-	-	-	<b>15.07</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>15.07</b>	-	-	-	<b>15.07</b>

### Ageing for Capital Work-in-Progress as on March 31, 2022

(₹ in Lakhs)

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	118.64	-	-	-	<b>118.64</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>118.64</b>	-	-	-	<b>118.64</b>

Note - The Company do not have any Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

## 6 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non Current	Current	Non Current
Security Deposits - Unsecured, Considered Good	222.63	825.95	12,367.72	267.60
<b>Other Receivables</b>				
a) Security Deposits - Considered Good*	10,100.00	-	-	-
b) Others**				
Considered Good	285.79	-	592.10	-
Credit Impaired	413.17	-	75.01	-
Less : Allowance for doubtful debts	(413.17)	-	(75.01)	-
<b>Total</b>	<b>10,608.42</b>	<b>825.95</b>	<b>12,959.82</b>	<b>267.60</b>

\* Security Deposits is towards lease agreements which has expired

\*\* Receivables includes : i) Receivable from E-commerce marketplaces through whom sales has been carried out and ii) Receivable from banks/NBFC towards sales made through their mode of payments.

## 7 OTHER ASSETS - CURRENT & NON CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non Current	Current	Non Current
<b>Unsecured, Considered Good, Unless Otherwise Stated</b>				
Capital Advances	-	53.11	-	148.62
Advances other than Capital Advances:				
i) Advance to Related Parties	331.97	-	341.43	-
Less: Provision for Doubtful Advances	(300.00)	-	-	-
Net Advance to Related Parties	31.97	-	341.43	-
ii) Advance to Suppliers	70.53	-	289.60	-
iii) Advance to Employees	5.80	-	8.67	-
Balances with Statutory Authorities -Considered good	958.94	-	1,216.22	-
Balances with Statutory Authorities -Considered doubtful	62.83	-	-	-
Less:Provision for Doubtful Balances	(62.83)	-	-	-
Prepaid Expenses	112.62	-	224.58	-
<b>Total</b>	<b>1,179.87</b>	<b>53.11</b>	<b>2,080.50</b>	<b>148.62</b>

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 8 NON-CURRENT TAX ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax deducted at source	54.11	15.39
Tax paid under protest	22.76	22.76
<b>Total</b>	<b>76.87</b>	<b>38.15</b>

## 9 INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Stock-in-Trade (Including stock in transit : ₹ 339.69 Lakhs, March 31, 2022 : ₹ 327.68 Lakhs)	6,899.31	14,228.00
Packing Materials and Others	115.14	117.45
Less : Provision for Obsolete Inventory and Shrinkage	(380.81)	(120.62)
<b>Total Inventories</b>	<b>6,633.64</b>	<b>14,224.83</b>

(Valued at cost or Net Realisable Value whichever is lower)

## 10 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured considered good unless otherwise stated</b>		
Considered Good	143.65	8.30
Less : Allowance for doubtful debts	-	-
<b>Total</b>	<b>143.65</b>	<b>8.30</b>

### Trade receivables ageing schedule as on March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	
Undisputed Trade receivables – considered good	43.11	82.19	18.35	-	-	143.65
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>43.11</b>	<b>82.19</b>	<b>18.35</b>	<b>-</b>	<b>-</b>	<b>143.65</b>

## Trade receivables ageing schedule as on March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	
Undisputed Trade receivables – considered good	-	8.30	-	-	-	8.30
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>8.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.30</b>



# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 11 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks - In Current Accounts	134.82	604.04
Cheques on Hand	19.94	13.02
Cash on Hand	23.78	32.24
<b>Total</b>	<b>178.54</b>	<b>649.30</b>

## 12 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Bank Balance - Unclaimed amount payable towards fractional shares*	3.31	3.31
<b>Total</b>	<b>3.31</b>	<b>3.31</b>

\*Restricted Bank balance

## 13 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised</b>		
10,00,00,000 equity shares of ₹ 5 each ( 31 March 2022: 10,00,00,000 equity shares of ₹ 5 each)	5,000.00	5,000.00
<b>Issued</b>		
7,56,75,330 equity shares of ₹ 5 each ( 31 March 2022: 7,53,13,330 equity shares of ₹ 5 each)	3,783.77	3,765.67
<b>Subscribed and Paid up</b>		
7,56,70,112 equity shares of ₹ 5 each ( 31st March 2022: 7,53,08,112 equity shares of ₹ 5 each)	3,783.51	3,765.41

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## (i) Reconciliation of Number of Equity Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
Opening Balance of Equity Shares of ₹ 5/- each	7,53,13,330	3,765.67	3,03,88,426	1,519.42
Add: Shares issued pursuant to conversion of Compulsorily Convertible Debentures	-	-	13,25,471	66.27
Add : Shares issued during the year	-	-	4,35,99,433	2,179.97
Add : Shares issued during the year (Pursuant to ESOP)	3,62,000	18.10	-	-
<b>Total Shares issued</b>	<b>7,56,75,330</b>	<b>3,783.77</b>	<b>7,53,13,330</b>	<b>3,765.67</b>
Less: Shares kept in abeyance (Refer Note No. iii below)	5,218	0.26	5,218	0.26
<b>Total Shares outstanding at the end of the year</b>	<b>7,56,70,112</b>	<b>3,783.51</b>	<b>7,53,08,112</b>	<b>3,765.41</b>

## (ii) Terms/Rights Attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 5/- each at the Balance Sheet Date. Each holder is entitled to one vote per share in case of voting by show of hands and one vote per Shares held in case of voting by poll/ballot. Each holder of Equity Share is also entitled to normal dividend (including interim dividend, if any) as may be declared by the company.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by shareholder.

(iii) Pursuant to the provisions of the Companies Act, 2013, the issue of 5,218 Equity Shares are kept in abeyance corresponding to the respective shareholders holding of 1,04,371 equity shares in Future Retail Limited.

## (iv) Details of Shares pledged

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
No. of Shares pledged by promoters	-	1,61,33,790

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

- (v) Shares in the Company held by each shareholder holding more than 5 % shares and number of Shares held are as under:

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares</b>				
Surplus Finvest Private Limited	1,79,37,578	23.70	1,79,37,578	23.82
Future Hospitality Private Limited	1,22,41,293	16.18	-	-
Future Corporate Resources Private Limited	67,57,361	8.93	1,89,98,654	25.23
Mangal Bhansali & PACs	42,09,715	5.56	39,10,100	5.19

- (vi) Disclosure of Shareholding of Promoters

*Disclosure of Shareholding of Promoters as at March 31, 2023 is as follows:*

Name of Promoter	As at March 31, 2023		As at March 31, 2022		% change during the year
	No. of Shares	Percentage of total shares	No. of Shares	Percentage of total shares	
Shri Kishore Biyani	251	0.00%	251	0.00%	0.00%
Future Corporate Resources Private Limited*	67,57,361	8.93%	1,89,98,654	25.23%	-16.30%
<b>Total</b>	<b>67,57,612</b>	<b>8.93%</b>	<b>1,89,98,905</b>	<b>25.23%</b>	<b>-16.30%</b>

\* As on March 31, 2023: 1,19,43,830 shares (15.78%) is held through its partly owned subsidiary Future Hospitality Private Limited where it holds 97.57%.

*Disclosure of Shareholding of Promoters as at March 31, 2022 is as follows:*

Name of Promoter	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	Percentage of total shares	No. of Shares	Percentage of total shares	
Shri Kishore Biyani	251	0.00%	106	0.00%	0.00%
Future Corporate Resources Private Limited	1,89,98,654	25.23%	1,74,32,558	57.38%	-32.15%
<b>Total</b>	<b>1,89,98,905</b>	<b>25.23%</b>	<b>1,74,32,664</b>	<b>57.38%</b>	<b>-32.15%</b>

- (vii) Aggregate number of shares without payment being received in cash (pursuant to scheme of arrangement) during the financial year 2017-18 – 2,46,38,426 Equity Shares.

- (viii) As at March 31, 2023, 8,03,750 No. of Equity Shares (March 31, 2022, No. 12,80,500 of equity shares) are reserved for Issuance towards Outstanding Employee Stock Option granted. (Refer Note 30)

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

## (B) Instruments entirely Equity in Nature

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>0.01% Compulsorily Convertible Debentures (in nature of Equity) face value of ₹ 1,00,000/- each.</b>		
<b>Opening Balance</b>	-	1,405.00
Less: Pursuant to the Conversion of Compulsorily Convertible Debentures into Equity Shares	-	(1,405.00)
<b>Closing Balance</b>	-	-

**\* Terms of the 0.01% Unsecured Compulsorily Convertible Debentures (CCD) are as follows:**

- 1) The tenor of Compulsorily Convertible Debentures is upto 18 months from the date of allotment, however the CCD can be converted into Equity Shares at the option of the investor at any time after allotment subject to necessary approval.
- 2) The Compulsorily Convertible Debentures are Non-Marketable.
- 3) The coupon rate is 0.01% per annum.
- 4) Conversion price - Each CCD shall be convertible into Equity Shares of face value of ₹ 5/- each, fully paid up of the Company, in one or more tranches at a conversion price of ₹106/- per equity share comprising of premium of ₹101/- per equity share.

## 14. OTHER EQUITY

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Capital Reserve</b>		
<b>Opening Balance</b>	7,968.34	7,968.34
Addition/(Appropriation) During The Year	-	-
<b>Closing Balance</b>	<b>7,968.34</b>	<b>7,968.34</b>
<b>Security Premium</b>		
<b>Opening Balance</b>	9,914.78	5,807.50
Pursuant to the Conversion of Compulsorily Convertible Debentures into Equity Shares	-	1,338.73
Pursuant to the exercise of share options	235.84	-
Pursuant to the Rights Issue	-	2,768.55
<b>Closing Balance</b>	<b>10,150.62</b>	<b>9,914.78</b>
<b>Capital Redemption Reserve</b>		
<b>Opening Balance</b>	5.00	5.00
Addition/(Appropriation) During The Year	-	-
<b>Closing Balance</b>	<b>5.00</b>	<b>5.00</b>
<b>Share- Based Payment Reserve (Refer Note No. 30)</b>		
<b>Opening Balance</b>	108.90	39.16
Share based payments	273.46	69.74

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Options lapsed as per ESOP scheme	(40.90)	-
Exercise of share options - ESOP Plan 2021	(235.84)	-
<b>Closing Balance</b>	<b>105.62</b>	<b>108.90</b>
<b>Retained Earnings</b>		
<b>Opening Balance</b>	(21,685.89)	(23,147.93)
Profit/(Loss) For The Year	(2,101.39)	1,423.56
Options lapsed as per ESOP scheme	40.90	-
<b>Other Comprehensive Income/(Loss) For The Year</b>		
Re-measurement Gain/(Loss) on Defined Benefit Plans	(61.70)	38.48
Income Tax relating to above	-	-
<b>Closing Balance</b>	<b>(23,808.08)</b>	<b>(21,685.89)</b>
<b>Total</b>	<b>(5,578.48)</b>	<b>(3,688.84)</b>

## Nature and Purpose of Reserves:

### a) Capital Reserve

During the financial year ended March 31, 2018, the capital reserve of ₹ 7,968.34 Lakhs recognised due to demerger of retail hometown division, pursuant to the composite scheme of arrangement with Future Retail Limited.

### b) Capital Redemption Reserve

During the financial year ended March 31, 2018, the capital redemption reserve of ₹ 5.00 Lakhs recognised due to demerger of retail hometown division, pursuant to the composite scheme of arrangement with Future Retail Limited.

### c) Security Premium

Security premium is created to record a sum equal to the aggregate amount of its premium received on shares issued as per the Companies Act, 2013.

### d) Share- Based Payment Reserve

This reserve relates to share options granted by the Company to its employees and directors under ESOP. Further information about share-based payments to employees is set out in Note no. 30.

### e) Retained earnings

This represents the surplus / (deficit) of the Statement of Profit and Loss. The amount that can be distributed by the Company as dividend to its equity shareholders is determined based on the separate Financial Statements of the Company and also considering the requirements of the Companies Act, 2013.

## 15 NON-CURRENT LIABILITIES - PROVISIONS

Particulars	(₹ in Lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Current	Non Current	Current	Non Current
<b>Provision for Employee Benefits</b>				
Gratuity (Refer note no. 29)	11.41	157.65	14.13	260.82
Compensated Absences	11.25	39.39	31.53	110.30
<b>Total</b>	<b>22.66</b>	<b>197.04</b>	<b>45.66</b>	<b>371.12</b>

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 16 FINANCIAL LIABILITY-BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non Current	Current	Non Current
<b>Secured</b>				
<b>Loans from Banks</b>				
- Working Capital Term Loan (Refer note A)	-	549.32	-	823.98
- Current Maturities of Long term debt (Refer note A)	274.66	-	274.66	-
<b>Loan from Others - NBFC (Refer note B)</b>	2,293.81	-	4,902.58	-
<b>Unsecured</b>				
Loan from Related Parties - Inter Corporate Deposits (Refer note D)	2,220.00	-	1,650.00	-
Preference Shares (Refer note C)	-	-	593.70	-
<b>Total</b>	<b>4,788.47</b>	<b>549.32</b>	<b>7,420.94</b>	<b>823.98</b>

### Security:

- (A) The Working capital term loan from RBL Bank is secured by way of 100% guaranteed by National credit guarantee trustee company Limited and second pari passu charge on the current assets and movable fixed assets (both present and future) of the Company. Principal is repayable within 48 monthly instalments commencing from April'2022, Rate of interest is external benchmark rate plus Spread and applicable rate for FY22-23 is 9.25% per annum on monthly basis. The outstanding amount as on 31st March 2023 is ₹ 823.98 lakhs (March 31, 2022 : ₹1,098.64 lakhs)
- (B) Loan from Others - NBFC is a Working Capital loan secured by way of pari passu charge on the current assets both present and future of the Company. Principal is repayable based on 2/3rd of card sales of the Company through Escrow account of lender. Interest is payable at 9.10 % per annum on monthly basis.
- (C) 6,30,000 non-cumulative redeemable preference shares of ₹ 100/- each, bearing coupon rate of 9% p.a. were allotted on December 08, 2017 to the eligible shareholders of Bluerock eServices Private Limited. The preference shares are to be redeemed at the end of 60 months from the date of allotment and the Company will have the option to redeem the preference shares at any time after the expiry of 24 months from the date of allotment. (Refer note no. 19)
- (D) Loan from Related Parties - Inter Corporate Deposits repayable on demand secured by promisory note. Interest is payable at 12% per annum.
- (E) The Company has availed borrowings from a bank and a financial institution which are secured against current assets. The Company has not submitted all the required details as a part of quarterly returns / statements to these entities. However, the Company represents that the details have been submitted as and when asked for by such entities and no query has been raised by such entities with regards to non-submission of the remaining required details.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 17 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Outstanding dues of Small and Micro Enterprises	2,140.17	2,272.16
Total Outstanding dues of Creditors other than Small and Micro Enterprises	11,910.05	14,607.21
<b>Total</b>	<b>14,050.22</b>	<b>16,879.37</b>

### Trade Payables ageing schedule as on March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	2,122.13	18.04	-	-	2,140.17
(ii) Others	9,428.52	1,024.13	295.08	176.30	10,924.03
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>11,550.65</b>	<b>1,042.17</b>	<b>295.08</b>	<b>176.30</b>	<b>13,064.20</b>
Unbilled trade payables (other than micro and small enterprises)					986.02
<b>Grand Total</b>					<b>14,050.22</b>

### Trade Payables ageing schedule as on March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	2,272.16	-	-	-	2,272.16
(ii) Others	3,142.43	4,658.36	1,790.19	2,733.54	12,324.52
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>5,414.59</b>	<b>4,658.36</b>	<b>1,790.19</b>	<b>2,733.54</b>	<b>14,596.68</b>
Unbilled trade payables (other than micro and small enterprises)					2,282.68
<b>Grand Total</b>					<b>16,879.36</b>

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 18 OTHER FINANCIAL LIABILITIES-CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Salary and Employee benefits payable	384.42	148.56
Unclaimed Share Money on Fraction Shares (Refer note 37)	3.31	3.31
Interest accrued on borrowings	65.79	67.14
Unredeemed Preference Shares*	630.00	-
Creditors for Capital Expenditure	203.74	91.55
Other Payables (Interest on MSME and other parties)	302.90	45.92
<b>Total</b>	<b>1,590.16</b>	<b>356.48</b>

\* 9% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each ("NCRPs") aggregating to ₹ 630.00 lakhs held by Future Enterprises Limited ("FEL") were due for redemption on December 08, 2022. However, as per the Companies Act, 2013 and rules made thereunder, the redemption of any preference shares to be made out of only profits available to be distributed as dividend, or proceeds of any fresh issue of shares made for the purposes of such redemption. As the Company has not earned any profit during the current year and no proceeds of any fresh issue of shares made for the purposes of such redemption, the Company could not redeem the NCRPs. The said NCRPs would continue as unredeemed preference capital in books of the Company and the same shall be redeemed as per the provisions of the Act.

## 19 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances From Customers	1,069.22	1,560.49
Unredeemed Gift Vouchers	74.89	735.18
Statutory dues payable	287.28	141.17
<b>Total</b>	<b>1,431.39</b>	<b>2,436.84</b>

## 20 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of Products	37,907.48	39,120.18
Other Operating Income		
- Income from sale of Scrap	147.07	268.77
- Income from expiry of Gift Voucher (Refer note no. 38)	550.00	-
- Income from sale of entitlements	-	500.00
- Other Income	-	0.27
<b>Total</b>	<b>38,604.55</b>	<b>39,889.22</b>



# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 21 OTHER INCOME

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Covid-19 Related Rent Concessions	-	2,778.19
Waiver of transportation and warehousing charges due to Covid-19	-	2,480.00
Recovery for damages	-	1,635.13
Liabilities Written back	217.61	662.12
Excess Lease liabilities written back	120.42	26.31
Interest Income	257.09	7.46
Other Miscellaneous Income	341.99	625.25
<b>Total</b>	<b>937.11</b>	<b>8,214.46</b>

## 22 CHANGE IN INVENTORIES OF STOCK-IN-TRADE (INCREASE)/DECREASE

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Opening Inventories</b>		
Stock-In-Trade	14,228.00	10,028.72
Packing Materials and Others	117.45	123.28
<b>Closing Inventories</b>		
Stock-In-Trade	6,899.31	14,228.00
Packing Materials and Others	115.14	117.45
<b>(Increase)/Decrease</b>	<b>7,331.00</b>	<b>(4,193.46)</b>

## 23 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, Wages and Bonus	5,106.45	5,785.85
Contribution to Provident and Other Fund (Refer Note No. 29)	300.02	366.83
Employee Stock Option Expense (Refer Note No. 30)	273.46	69.74
Gratuity (Refer Note No. 29)	61.59	70.93
Staff Welfare Expenses	295.32	277.88
<b>Total</b>	<b>6,036.86</b>	<b>6,571.23</b>

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 24 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on Borrowings	742.21	798.20
Unwinding Interest on Lease Liabilities	1,079.69	1,440.36
Unwinding Interest on Financial Instrument at Amortised Cost	36.30	49.00
Interest on Statutory Liabilities	160.39	3.42
Interest under MSME Act	157.39	11.81
<b>Total</b>	<b>2,175.98</b>	<b>2,302.79</b>

## 25 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Power & Fuel	1,161.51	795.11
Rent	1,346.20	2,099.34
Repairs and Maintenance	120.89	134.69
Insurance	26.92	39.84
Rates and Taxes	88.69	100.33
Travelling & Conveyance	309.27	267.38
Advertisement and Marketing	1,513.98	2,773.86
Write off of Inventory	49.59	194.49
Provision for Obsolete Inventory	306.21	72.61
Provision for Doubtful Debts	338.16	-
Provision for Doubtful Advances	300.00	-
Legal & Professional	707.42	794.62
Loss on Foreign Currency translation or transactions	66.44	103.78
Subvention and Credit Card Charges	905.80	1,043.78
Miscellaneous Expenses	2,048.18	1,355.61
<b>Total</b>	<b>9,289.26</b>	<b>9,775.44</b>

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 26. FAIR VALUE MEASUREMENTS:

### (a) Financial instruments by category

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amortised cost	Fair Value	Amortised cost	Fair Value
<b>Financial assets</b>				
Trade Receivables	143.65	-	8.30	-
Cash and cash equivalents	178.54	-	649.30	-
Bank Balance other than Cash and Cash Equivalents above	3.31	-	3.31	-
Other Financial Assets	10,385.79	1,048.59	13,227.42	-
<b>Total financial assets</b>	<b>10,711.30</b>	<b>1,048.59</b>	<b>13,888.33</b>	<b>-</b>
<b>Financial liabilities</b>				
Borrowings	5,337.79	-	8,244.92	-
Lease Liabilities	10,402.01	-	12,574.56	-
Trade payables	14,050.22	-	16,879.37	-
Other financial liabilities	1,590.16	-	356.48	-
<b>Total financial liabilities</b>	<b>31,380.18</b>	<b>-</b>	<b>38,055.33</b>	<b>-</b>

### (b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### *Assets and liabilities which are measured at fair values disclosed as at March 31, 2023*

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Security deposits	-	-	1,048.59	1,048.59
Other Receivables	-	-	-	-
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>1,048.59</b>	<b>1,048.59</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

## Assets and liabilities which are measured at fair values disclosed as at March 31, 2022

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Security deposits	-	-	-	-
Other Receivables	-	-	-	-
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Note

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### (c) Valuation technique used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis / Earnings / EBITDA multiple method.

### (d) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of lease liabilities, trade receivables, trade payables, advances to employees, advances from customers, other receivables, security deposits, unclaimed fractional share money, creditors for capital nature, employee payables and cash and cash equivalents are considered to have their fair values approximately equal to their carrying values.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 27. FINANCIAL RISK MANAGEMENT

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors.

### (a) Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities - trade receivables and other receivables amounting to ₹ 143.65 Lakhs and ₹ 698.86 lakhs as on March 31, 2023 respectively and ₹ 8.30 Lakhs and ₹ 667.17 lakhs as on March 31, 2022 respectively.

Since Company operates on business model of primarily cash and carry, credit risk from receivable perspective is insignificant.

### (b) Liquidity Risk

i) The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses and servicing of financial obligations.

### ii) Maturity of Financial Liabilities

The amounts disclosed below are the contractual undiscounted cash flows. Balances due within 12 months equal to their carrying balances as the impact of discounting is not significant.

(₹ in Lakhs)

March 31, 2023	Less than 1 year	More than 1 Year	Total
Interest bearing borrowings*	4,854.26	549.32	5,403.57
Trade Payables	14,050.22	-	14,050.22
Lease Liabilities	3,094.97	13,708.14	16,803.11
Other Financial Liabilities	1,590.16	-	1,590.16
<b>Total</b>	<b>23,589.61</b>	<b>14,257.46</b>	<b>37,847.06</b>

(₹ in Lakhs)

March 31, 2022	Less than 1 year	More than 1 Year	Total
Interest bearing borrowings*	7,524.40	823.96	8,348.37
Trade Payables	14,596.68	-	14,596.68
Lease Liabilities	4,552.70	14,280.04	18,832.74
Other Financial Liabilities	2,639.17	-	2,639.17
<b>Total</b>	<b>29,312.95</b>	<b>15,104.00</b>	<b>44,416.96</b>

\* Includes contractual interest payment based on the interest rate prevailing at the reporting date.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## (c) Market Risk

Market risk is the risk of changes in market prices – such as foreign exchange rate, interest rate, and equity prices – will affect the company's income or values of its holdings of financial statements. The company is not exposed to any significant currency risk and equity price risk.

### (i) Interest Rate Risk Exposure

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Variable Rate Borrowings	3,117.79	6,001.22
Fixed Rate Borrowings	2,220.00	1,650.00
<b>Total</b>	<b>5,337.79</b>	<b>7,651.22</b>

### (ii) Sensitivity Analysis

Profit or Loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates.

(₹ in Lakhs)

Impact on Profit / Loss after tax	As at March 31, 2023	As at March 31, 2022
Interest rates increase by 100 basis points	31.18	60.01
Interest rates decrease by 100 basis points	(31.18)	(60.01)

## (d) Foreign Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily on account of import of trading goods. Foreign exchange risk arises if recognised liabilities denominated in a currency that is not the functional currency of the Company. The Company hedges its foreign exchange risk using foreign exchange forward contracts within the guidelines laid down by risk management policy of the Company. Overall, Company always has a limited exposure to foreign currency risk.

Following table details the carrying amounts of the Company's unhedged foreign currency denominated monetary items at the end of the reporting period

(in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade Payable</b>		
US Dollar (USD)	1.44	10.21

A 5% strengthening in USD will decrease the profit for the year by ₹ 5.93 Lakhs (March 31, 2022 - ₹ 38.71 Lakhs) and a 5% weakening in USD will increase the profit for the year by ₹ 5.93 Lakhs (March 31, 2022 - ₹ 38.71 Lakhs). In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 28. CAPITAL RISK MANAGEMENT

### (A) Risk Management

For the purpose of the Company's capital risk management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital risk management is to maximize the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. To maintain and adjust the capital structure, the company may return capital to shareholder or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	5,337.79	8,244.92
Less: Cash and Cash Equivalents	178.54	649.30
<b>Net Debt (A)</b>	<b>5,159.24</b>	<b>7,595.62</b>
Equity	3,783.51	3,765.41
Other Equity	(5,578.48)	(3,688.84)
<b>Total Capital (B)</b>	<b>(1,794.98)</b>	<b>76.57</b>
<b>Gearing Ratio (C = A/B)</b>	<b>(2.87)</b>	<b>99.20</b>

(B) **Dividends:** The Company has not paid any dividend since its corporation.

## 29. DISCLOSURE UNDER IND AS 19 "EMPLOYEE BENEFITS"

The Company has various employee benefit schemes covering different categories of employees based on their location of employment.

### a) Defined Contribution plans:

- (i) Provident Fund
- (ii) State defined contribution plans - Employer's contribution to Employees state insurance and Labour Welfare Fund

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

Contribution to defined contribution plans, recognised as expense for the year is as under :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to Provident fund	240.02	307.40
Contribution to ESIC	46.18	56.54
Contribution to NPS	13.18	2.02
Contribution to LWF	0.64	0.87
<b>Total</b>	<b>300.02</b>	<b>366.83</b>

## b) Defined Benefit plans:

The Company operates the following defined benefit plans:

### (i) Compensated Absences

Total Expenses Recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total Expenses Recognised in the Statement of Profit and Loss	40.39	26.91

### (i) Gratuity

The Company has a defined benefit gratuity plan in India, governed by The Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. Inherent risk: The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The actuarial valuation of the present value of the defined benefit obligation has been carried out as at March 31, 2023. The following table sets forth the status of the various defined benefit plans of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

## (a) Change in Present Value of Defined Benefit Obligations

Particulars	₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation at the beginning of the year	274.94	320.28
Service Cost	42.22	48.82
Interest Cost	19.38	22.11
Benefits Paid	(229.16)	(77.79)
Re-measurement-Actuarial (gains)/losses	61.70	(38.48)
Defined Benefit Obligation at the end of the year	169.07	274.94



# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## (b) Net Defined Benefit Liability / (Assets)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation	169.07	274.94
Fair value of Plan Assets	-	-
(Surplus) / Deficit	169.07	274.94
Effects of Assets Ceiling	-	-
Net Defined Benefit Liability / (Assets)	169.07	274.94

## (c) Total Expenses Recognised in the Statement of Profit and Loss

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current Service Cost	42.22	48.82
Net interest on the net defined benefit liability/assets	19.38	22.11
Total Expenses Recognised in the Statement of Profit and Loss	61.60	70.93

## (d) Remeasurement effects recognised in Other Comprehensive Income (OCI)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial (Gains)/Losses	65.90	22.35
Gain / (Loss) from change in financial assumptions	(4.20)	(75.81)
Gain / (Loss) from change in demographic assumptions	-	14.98
Total (Gain) / Loss included in OCI	61.70	(38.48)

## (e) Reconciliation of Amounts in Balance Sheet

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation at the beginning of the year	274.94	320.28
Defined Benefit cost included in Profit and Loss	61.60	70.93
Total amount included in OCI	61.70	(38.48)
Benefits paid	(229.16)	(77.79)
Defined Benefit Obligation at the end of the year	169.07	274.94

## (f) Reconciliation of Amounts in Statement of Other Comprehensive Income

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
OCI (Income) / Loss at the beginning of the year	(70.06)	(31.58)
Total Remeasurement included in OCI	61.70	(38.48)
OCI (Income) / Loss at the end of the year	(8.36)	(70.06)

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

## (g) Expected Maturity Profile of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Year 1	11.41	14.12
Year 2	10.75	19.68
Year 3	11.98	20.49
Year 4	20.23	25.53
Year 5	19.46	31.39
Years 6 to 10	142.78	213.18
Above 10 Years	1,136.72	2,133.03

## (h) Assumptions

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.48%	7.23%
Expected rate of Salary increase	2% flat	2% flat
Mortality Rate	IALM (2012-14) ultimate	IALM (2012-14) ultimate
Withdrawal Rate	Service < 5 Years : 28% Service > 5 Years : 3%	Service < 5 Years : 28% Service > 5 Years : 3%
Retirement age	58 Years	58 Years

## (i) Sensitivity Analysis

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation at the end of the year	169.07	274.94
Discount Rate	7.48%	7.23%
Expected rate of Salary increase	2% flat	2% flat
Discount Rate		
Discount Rate -100 basis points	186.86	305.99
Discount Rate +100 basis points	153.77	248.45
Salary increase rate		
Rate -100 basis points	153.65	248.17
Rate +100 basis points	186.66	305.83

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 30. SHARE-BASED PAYMENTS

### (a) Scheme Details

#### *Praxis SVAR Plan – 2018*

The ESOP Plan titled as Praxis Home Retail Limited Share Value Appreciation Rights, Plan – 2018 (“Praxis SVAR Plan – 2018”) was approved by the Board of Directors at its meeting held on August 6, 2018 and the same was also passed by way of a special resolution by the Shareholders of the Company in terms of erstwhile SEBI (Share Based Employee Benefits) Regulations, 2014 at the annual general meeting held on September 18, 2018. In aggregate, 9,75,000 stock options were covered under the Praxis SVAR Plan – 2018.

During the year 2018–19, the Nomination and Remuneration Committee (“NRC”) of the Company had granted 4,66,500 options under the Praxis SVAR Plan – 2018 to director and employees of the Company. The options granted are convertible into equal number of equity shares of face value ₹5/- each. The exercise price of each option is ₹176/- (including ₹ 171/- as share premium). The options were subject to a minimum vesting period of 1 (one) year from the date of grant. Method of accounting is Fair Value based and the method of settlement will be Equity-settled.

Thereafter, during the financial year 2019–20, 2020–21, 2021–22 & 2022–23, no stock options were granted under Praxis SVAR Plan – 2018.

#### *Praxis Employee Stock Option Plan –2021*

The ESOP Plan titled as Praxis Home Retail Limited, Employee Stock Option Plan – 2021 (“ESOP – 2021”) was approved by the Board of Directors at its meeting held on October 27, 2021 and the same was also passed by way of a special resolution by the Shareholders of the Company in terms of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 by way of postal ballot approved on December 12, 2021. In aggregate, 20,00,000 stock options were covered under the ESOP – 2021.

During the year 2021–22, the Nomination and Remuneration Committee (“NRC”) of the Company had granted 12,05,000 options under the ESOP Plan – 2021 to director and employees of the Company. The options granted are convertible into equal number of equity shares of face value ₹ 5/- each. The exercise price of each option is ₹ 5/-. The options were subject to a minimum vesting period of 1 (one) year from the date of grant. Method of accounting is Fair Value based and the method of settlement will be Equity-settled.

During the year 2022–23, the Nomination and Remuneration Committee (“NRC”) of the Company has granted 1,00,000 options under the ESOP Plan – 2021 to employee of the Company. The options granted are convertible into equal number of equity shares of face value ₹ 5/- each. The exercise price of each option is ₹ 5/-. The options were subject to a minimum vesting period of 1 (one) year from the date of grant. Method of accounting is Fair Value based and the method of settlement will be Equity-settled.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

The following share-based payment arrangements have outstanding options as on Balance Sheet date.

Option Series	Number of Options outstanding as on March 31, 2023	Number of Options outstanding as on March 31, 2022	Grant Date	Vesting Date	Exercise Price (₹)	Fair Value at Grant Date (₹)
Praxis SVAR Plan - 2018	18,750	75,500	27-03-19	*	176.00	88.40
Praxis Employee Stock Option Plan - 2021	785,000	1,205,000	27-01-22	**	5.00	65.15

Option can be Exercised within three years from the date of Vesting of Options.

\* The options granted shall vest over a period of 5 years from the date of the grant (in the ratio of 15% in Year 1, 15% in Year 2, 20% in Year 3, 20% in Year 4 and 30% in Year 5) in the manner specified in the resolution passed by the NRC while granting the options.

\*\* The options granted shall vest over a period of 3 years from the date of the grant (in the ratio of 40% in Year 1, 30% in Year 2 and 30% in Year 3) in the manner specified in the resolution passed by the NRC while granting the options.

## (b) Movement of Share Option

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	1,280,500	75,500
Granted During the year	100,000	1,205,000
Expired /cancelled during the year	214,750	-
Exercised during the year	362,000	-
Outstanding at the end of the year	803,750	1,280,500
Exercisable at the end of the year	113,125	37,750

The share options outstanding at the end of the year had a weighted average remaining contractual life of 1,483 days (2022 : 1,697 days)

## (c) Fair Value on Grant Date

The fair value on the grant date is determined using "Black Scholes Model", which takes into account exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and risk free interest rate for the term of the option.

Method and Assumptions used to estimate the fair value of options granted:

Particulars	Praxis SVAR Plan - 2018	Praxis Employee Stock Option Plan - 2021 (Granted January 27, 2022)	Praxis Employee Stock Option Plan - 2021 (Granted November 3, 2022)
	For 5 year vesting period	For 3 year vesting period	For 3 year vesting period
Risk Free Interest Rate	7.12%	5.72%	6.95%
Expected Life	5.85 Years	3.4 Years	3.4 Years
Expected Volatility	46.10%	55.94%	68.84%
Dividend Yield	0.00%	0.00%	0.00%
Exercise Price	176.00	5.00	5.00

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## (d) Compensation Expenses arising on account of the Share Based Payments

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Expenses arising from equity – settled share-based payment transactions	273.46	69.74

## 31. EARNINGS PER SHARE (EPS)

Statement of Calculation of Basic and Diluted EPS is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) for the year (₹ in Lakhs)	(2,101.39)	1,423.56
Weighted average number of Equity Share for Basic EPS	7,53,52,326	5,19,31,355
Nominal Value per Equity Share (₹)	5/-	5/-
Earning/(Loss) per Equity Share - Basic (₹)	(2.79)	2.74
Add: Weighted average number of potential equity shares on account of Employee stock option scheme*	8,46,823	4,634
Weighted average number of Equity Share for Diluted EPS	7,53,52,326	5,19,35,989
Nominal Value per Equity Share (₹)	5/-	5/-
Earning/(Loss) per Equity Share - Diluted (₹)	(2.79)	2.74

\* As the effect of the weighted average number of potential equity share on account of ESOP is anti-dilutive in nature for year ended March 31, 2023, the same is not considered in the calculation of weighted average number of equity shares for the Diluted EPS.

## 32. ASSETS PLEDGED AS SECURITY FOR EXCLUSIVE AND PARIPASSU CHARGE

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-Current Assets</b>		
<b>Non-Financial Assets</b>		
Property, Plant and Equipment	1,135.96	88.20
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade receivables	143.65	8.30
Cash and bank balances	178.54	649.30
Other financial assets	10,608.42	12,959.82
<b>Non-Financials Assets</b>		
Inventories	6,633.64	14,224.83
Other current assets	1,179.87	2,080.50
<b>Total assets pledged as security</b>	<b>19,880.09</b>	<b>30,010.95</b>

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 33. LEASES:-

The Company has lease contracts for office, store premises and warehouses used in its operations, which has lease terms between 3 and 30 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company also has certain leases of offices, store premises and warehouses with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

### (a) Carrying amounts of Lease assets recognised and the movements during the year

(₹ in Lakhs)

Particulars	March 31, 2023			March 31, 2022		
	Office Equipments	Buildings	Total	Office Equipments	Buildings	Total
<b>Opening Balance</b>	1,269.59	9,112.29	10,381.88	3,174.01	11,090.08	14,264.09
Additions	-	9,422.30	9,422.30	-	503.43	503.43
Modifications	-	(4,391.05)	(4,391.05)	-	-	-
Deletions	(1,269.59)	(458.91)	(1,728.49)	-	(133.87)	(133.87)
Depreciation Expenses	-	(3,320.15)	(3,320.15)	(1,904.42)	(2,347.35)	(4,251.77)
<b>Balance at the end of the year</b>	<b>-</b>	<b>10,364.48</b>	<b>10,364.48</b>	<b>1,269.59</b>	<b>9,112.29</b>	<b>10,381.88</b>

### (b) Carrying amounts of lease liabilities and the movements during the year

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Opening Balance (Buildings and Office Equipments)</b>	12,574.56	16,406.07
Additions	8,366.39	503.43
Modifications	(5,900.83)	-
Finance Charge accrued during the year	1,079.69	1,440.36
Payment of Lease Liabilities	(3,696.04)	(5,615.13)
Deletions	(2,021.74)	(160.18)
<b>Balance at the end of the year</b>	<b>10,402.01</b>	<b>12,574.56</b>
Current	3,094.97	4,552.70
Non-current	7,307.04	8,021.86

The effective interest rate for lease liabilities is in the range of 10.15% to 11% as on 31 March 2023 (10.15% as on March 31, 2022).

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

**(c) The following are the amounts recognised in statement of profit and loss**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of Lease assets	3,320.15	4,251.77
Interest expense on Lease liabilities	1,079.69	1,440.36
Expense relating to short term leases/Variable Lease Payments (included in Rent including Lease Rentals)	1,346.20	2,099.34
<b>Total amount recognised in statement of profit and loss</b>	<b>5,746.04</b>	<b>7,791.48</b>

**(d) Covid-19 Related Rent Concessions :**

The Ministry of Corporate Affairs vide notification dated July 24, 2020 and June 18, 2021, issued an amendment to Ind AS 116-Leases, by inserting a Practical Expedient w.r.t "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has elected to apply the Practical Expedient of not assessing the rent concessions as a lease modification for all the rent concession which are granted due to Covid-19 Pandemic and has recognized the impact of such rent concession in the Statement of Profit and Loss.

Accordingly rent concession of ₹ Nil and ₹ 2,778.19 lakhs for the year ended March 31, 2023 and March 31, 2022 respectively are accounted under the head other income.

**(e) Following table provides information on the Company's variable Lease payments including the magnitude in relation to fixed payments**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fixed rent	2,578.75	4,902.15
Variable rent with minimum payment	1,788.32	891.59
Variable rent only	719.47	1,188.55

The company has entered into variable lease agreements as it offers the opportunity to optimize the costs in the inception stage of store operations. All variable lease agreements are calculated as a pre-defined percentage on the net sales.

**(f) The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.**

**(g) Set out below are undiscounted future rental payments in respect of lease for Premises, Stores and Warehouses are as follows:-**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
The total future minimum lease rent payable at the Balance Sheet date :		
- For a period not later than one year	3,094.97	4,552.70
- For a period later than one year and not later than 5 years	5,218.38	8,822.39
- For a period later than five years	8,489.76	5,457.65

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 34. SEGMENT REPORTING

The Company is primarily engaged in the business of "Retail" through offline and online channels, which in terms of Ind AS 108 on "Segment Reporting" constitutes a single reporting segment & as such there is no separate reportable segment. Presently the company's operations are predominantly confined in India.

## 35. DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Principal amount due to suppliers as at the year end	2,140.17	2,272.16
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	202.97	45.59
Payment made to suppliers (other than interest) beyond the appointed date under Section 16 of MSMED	4,718.05	5,257.45
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	4,718.05	5,257.45
Amount of Interest due and payable for the period of delay in making the payment, which has been paid but beyond the appointed date during the year, but without adding the interest specified under MSMED Act	44.30	-
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	247.27	45.59
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	247.27	45.59

## 36. INCOME TAX EXPENSE

### (i) Income Tax recognised in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Income Tax expense</b>		
Current Tax	-	-
Deferred Tax :		
Decrease/(increase) in deferred tax assets	-	-
(Decrease)/increase in deferred tax liabilities	-	-
Income Tax relating to Other Comprehensive Income	-	-
<b>Total Income Tax Expense/(Income)</b>	<b>-</b>	<b>-</b>



# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## (ii) Reconciliation of Tax Expenses

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) before tax	(2,101.39)	1,423.56
Applicable Tax Rate	25.17%	25.17%
Tax at the Indian tax rate	(528.92)	358.31
<b>Expenses not allowed for tax purposes:</b>		
Provision for Advances	75.50	-
Provision for Doubtful debts	85.11	-
Provision for Inventory	77.07	18.28
Interest payable to MSMED	62.13	11.47
Interest on ITC reversal (GST)	40.34	-
Lease Accounting as per IND AS 116	177.13	19.38
Diasallowance u/s 40	65.22	143.62
Gratuity paid during the year	(42.17)	(1.73)
Interest Income as per IND AS 109	(63.34)	-
Depreciation	31.81	(1.05)
Reversal of ROU & Lease liability	(348.86)	-
Others	(26.84)	(8.47)
Unabsorbed Depreciation on which no DTA recognised	39.28	-
Business loss on which no deferred tax asset is recognized	356.51	-
Utilisation of bought forward losses	-	(539.83)
Tax Expense charged to the Statement of Profit and Loss	-	-

## (iii) Year wise expiry of such losses as at March 31, 2023 is as under:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax asset on following Business loss &amp; Unabsorbed Depreciation not recognized</b>		
<b>Business Loss:</b>		
Expiring within AY 23-24	-	6,256.98
Expiring within AY 24-25	5,061.09	5,061.09
Expiring within AY 25-26	1,402.82	1,402.82
Expiring within AY 26-27	67.57	67.57
Expiring within AY 27-28	2,163.24	2,163.24
Expiring within AY 28-29	6,106.59	6,106.59

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Expiring within AY 29-30	9,607.15	9,607.15
Expiring within AY 30-31	-	-
Expiring within AY 31-32	1,416.51	-
Unabsorbed Depreciation:		
Without expiry limit	611.18	455.11
<b>Total</b>	<b>26,436.15</b>	<b>31,120.56</b>

## (iv) Components of Deferred Tax Assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Assets on account of :</b>		
Unabsorbed brought forward losses	6,499.63	7,185.42
Unabsorbed Depreciation	153.82	114.55
Property plant and Equipment	40.37	(21.51)
Provision for Leave Encashment	(22.95)	(6.77)
Provision for Gratuity	(42.17)	(8.17)
Provision for Advances	75.50	-
Provision for Doubtful debts	85.11	18.88
Provision for Inventory	77.07	18.28
Lease Accounting as per IND AS 116	177.12	19.38
<b>Closing balance</b>	<b>7,043.50</b>	<b>7,320.06</b>

Note: - Since the Company recognized DTA only to the extent of DTL, no deferred tax income / expenses are recognized in the statement of profit and loss during the year.

## 37. UNCLAIMED FRACTIONAL SHARE MONEY

Pursuant to the Composite Scheme of Arrangement as stated above, the Company had appointed a Trustee M/s Anant Gude & Associates, to deal with the fractional shares of the Company. The total number of fractional shares worked out to 17,061 equity shares. Accordingly, on April 4, 2018 the Trustee sold 17,061 equity shares for a total value of ₹ 35.47 Lakhs. As per the certificate received from the Trustee, out of the total warrants issued towards disbursement of amount pertaining to fractional shares, ₹ 3.31 Lakhs of the value is still pending to be claimed by the shareholders. The balance amount has been shown as current financial liability in the financial statements. This balance has been kept in a separate bank account.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 38. RELATED PARTY DISCLOSURE :

As per Ind AS – 24 “Related Party Disclosure” the Company’s related parties and transactions with them in the ordinary course of business are disclosed below:

### (a) Parties where control exists :

<b>(i) Holding Company</b>	Future Corporate Resources Private Limited (upto October 11, 2021)
<b>(ii) Companies exercising significant influence over Praxis Home Retail Limited</b>	<ul style="list-style-type: none"> <li>i) Surplus Finvest Private Limited (w.e.f October 12, 2021)</li> <li>ii) Future Corporate Resources Private Limited (through direct holding/ holding through its subsidiary)</li> </ul>
<b>(iii) Person having influence over Companies mentioned above</b>	Shri Kishore Biyani

### (b) Other related parties where transactions have taken place during the year

<b>(i) Enterprises over which Companies/ individual described in (a) have control/ significant influence</b>	<ul style="list-style-type: none"> <li>1. Future Retail Limited</li> <li>2. Future Lifestyle Fashions Limited</li> <li>3. Future Generali India Insurance Company Limited</li> <li>4. U2L Learning Solutions Limited</li> <li>5. Future Supply Chain Solutions Limited</li> <li>6. Future Enterprises Limited</li> <li>7. Future Market Networks Limited</li> <li>8. Ojas Tradelease and Mall Management Pvt Ltd (w.e.f. from April 1, 2022)</li> <li>9. Future Brands Limited</li> <li>10. Nufuture Digital (India) Limited</li> <li>11. City Centre Mall Nashik Private Limited (upto March 21, 2023)</li> <li>12. Future Coupons Limited</li> <li>13. Future Money Financial Services Ltd</li> <li>14. Smartsters Private Limited</li> <li>15. Nubusiness Ventures Pvt. Ltd.</li> <li>16. Surplus Finvest Private Limited</li> <li>16. Future Consumer Limited</li> <li>17. Future Media (India) Limited</li> <li>18. Future Ideas Company Limited</li> </ul>
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# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## (c) Key Management Personnel :

Mr. Mahesh Shah (Managing Director) w.e.f May 5, 2021  
 Mr. Samir Kedia (Chief Financial Officer) w.e.f January 27, 2022  
 Ms. Smita Chowdhury (Company Secretary and Compliance Officer) upto March 2, 2023  
 Ms. Sanu Kapoor (Company Secretary) w.e.f March 23, 2023  
 Mr. Sandeep Sharma (Chief Executive Officer) from April 6, 2021 upto May 31, 2021  
 Mr. Vikash Kabra (Dy. Chief Financial Officer) upto January 27, 2022

## (d) Directors :

Ms. Anou Singhvi (Independent Director)  
 Ms. Avni Biyani (upto December 8, 2022) (Non-Executive Non-Independent Director)  
 Mr. Harminder Sahni (Chairman & Independent Director)  
 Mr. Jacob Mathew (Independent Director)  
 Mr. Shrirang Sarda (upto March 21, 2023) (Non-Executive Non-Independent Director)  
 Mr. Samson Samuel (from March 14, 2023) (Non-Executive Non-Independent Director)  
 Ms. Lynette Robert Monteiro (from April 13, 2023) (Additional Non-Executive Non-Independent Director)  
 Ms. Sridevi Badiga (upto June 1, 2021) (Independent Director)

## 1. Transaction with Related Parties

(₹ in Lakhs)

Nature of Transactions	Holding Company upto October 11, 2021	Companies exercising significant influence	Enterprises over which Companies/ individual described in (a) have control/ significant influence	Key Management Personnel
Purchases	-	-	793.07	-
	-	-	(2,630.06)	-
Sales	-	-	823.12	-
	-	-	(133.27)	-
Sale of Gift Voucher**	-	-	-	-
	-	-	(550.00)	-
Income from expiry of Gift Voucher **	-	-	550.00	-
	-	-	-	-
Sale of Entitlements	-	-	-	-
	-	-	(500.00)	-
Other Income	-	-	14.30	-
	-	-	(335.15)	-
Covid-19 Related Rent Concessions	-	-	-	-
	-	-	(2,060.96)	-
Waiver of Transportation and Warehousing Charges due to Covid-19	-	-	-	-
	-	-	(2,480.00)	-
Rent	-	-	553.55	-
	-	-	(3,937.37)	-

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

(₹ in Lakhs)

Nature of Transactions	Holding Company upto October 11, 2021	Companies exercising significant influence	Enterprises over which Companies/ individual described in (a) have control/ significant influence	Key Management Personnel
Other Expenses	-	-	119.59	-
	-	-	(90.09)	-
Insurance Premium	-	-	10.62	-
	-	-	(43.07)	-
Provision for Doubtful Advances	-	-	300.00	-
	-	-	-	-
Interest Expenses	-	197.48	3.15	-
	(18.05)	(78.34)	(131.03)	-
Inter-Corporate Deposit - Taken	-	550.00	500.00	-
	-	(1,150.00)	(600.00)	-
Inter-Corporate Deposit - Repaid	-	480.00	-	-
	-	(1,500.00)	(400.00)	-
Equity Shares allotted on conversion of compulsory convertible debenture	-	-	-	-
	(66.27)	-	-	-
Securities premium received on conversion of compulsory convertible debentures	-	-	-	-
	(1,338.73)	-	-	-
Claim for recovery of damages	-	-	-	-
	-	-	(1,635.13)	-
Assignment of Liability	-	-	-	-
	-	-	(130.97)	-
Liabilities no longer required written back	-	-	1,730.64	-
	-	-	-	-
Balances no longer required written off	-	-	0.71	-
	-	-	-	-
Expenses incurred in behalf of related parties/Debit note raised	-	-	140.54	-
	-	-	(122.99)	-
Remuneration to Key Managerial Personnel and Directors *	-	-	-	461.58
	-	-	-	(356.94)
<b>Closing Balance as on March 31, 2023</b>				

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

(₹ in Lakhs)

Nature of Transactions	Holding Company upto October 11, 2021	Companies exercising significant influence	Enterprises over which Companies/ individual described in (a) have control/ significant influence	Key Management Personnel
Equity Shares held in the Company	-	1,234.76	-	-
	-	(1,846.82)	-	-
Security Deposit Receivable	-	-	10,149.74	-
	-	-	(10,149.74)	-
Trade Payable	-	-	3,813.02	-
	-	-	(7,564.65)	-
Advance given	-	-	331.97	-
	-	-	(341.43)	-
Provision for Doubtful Advances	-	-	300.00	-
	-	-	-	-
Inter-Corporate Deposit - Taken (including interest accrued)	-	1,765.80	502.84	-
	-	(1,682.61)	-	-

\* Remuneration does not include post-employment benefits, as they are determined on an actuarial basis for the Company as a whole.

\*\* Shown as Other Current Liability (Refer Note 19). The same was expired in current year and recognized as income.

Note: Previous year figures are given in parenthesis.

## Details of Employee Stock Options (Praxis SVAR Plan - 2018 and ESOP - 2021) outstanding during the Balance Sheet date.

Particulars	FY22-23			
	ESOPs outstanding as on 1/4/22	ESOP Granted/ (Exercised)	ESOPs Lapsed	ESOPs outstanding as on 31/3/23
Mahesh Shah	5,00,000	(1,00,000)	-	4,00,000
Samir Kedia	2,25,000	(90,000)	-	1,35,000
Smita Chowdhury	32,000	(12,000)	(20,000)	-
<b>Total</b>	<b>7,57,000</b>	<b>(2,02,000)</b>	<b>(20,000)</b>	<b>5,35,000</b>

Particulars	FY21-22			
	ESOPs outstanding as on 1/4/21	ESOP Granted/ (Exercised)	ESOPs Lapsed	ESOPs outstanding as on 31/3/22
Mahesh Shah	-	5,00,000	-	5,00,000
Samir Kedia	-	2,25,000	-	2,25,000
Smita Chowdhury	2,000	30,000	-	32,000
Vikash Kabra (upto January 27, 2022)	4,000	-	-	4,000
<b>Total</b>	<b>6,000</b>	<b>7,55,000</b>	<b>-</b>	<b>7,61,000</b>

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 2. Significant Related Party Transactions

- A. Purchases includes purchase from Future Retail Limited ₹ 3.86 lakhs (2022: ₹ 194.87 lakhs), Smartsters Private Limited ₹ 98.73 lakhs (2022: ₹ Nil) & Transportation and Warehousing services includes to Future Supply Chain Solutions Limited ₹ 690.48 lakhs (2022: ₹ 2,435.19 lakhs).
- B. Sales includes sale to Future Retail Limited ₹ Nil (2022: ₹ 133.27 lakhs) and Future Supply Chain Solutions Limited ₹ 822.37 lakhs (2022: ₹ Nil) and Future Ideas Company Limited ₹ 0.75 lakhs (2022: ₹ Nil).
- C. Income from expiry of Gift Voucher from Future Coupons Limited ₹ 550.00 lakhs (2022 : ₹ Nil)
- D. Sale of entitlements income from Future Coupons Limited ₹ Nil (2022 : ₹ 500.00 lakhs).
- E. Other Income includes income from Future Retail Limited (Claim for margin loss) ₹ Nil (2022 : ₹ 335.15 lakhs) and U2L Learning Solutions Limited (Rental Income) ₹ 14.30 lakhs (2022: ₹ Nil).
- F. Covid-19 Related Rent Concessions includes from Future Lifestyle Fashions Limited ₹ Nil (2022: ₹ 232.13 lakhs), Future Retail Limited ₹ Nil (2022: ₹ 100.84 lakhs) and Future Enterprises Limited ₹ Nil (2022: ₹ 1,728.00 lakhs).
- G. Waiver of transportation and warehousing charges includes from Future Supply Chain Solutions Limited ₹ Nil (2022 : ₹ 2,480.00 lakhs).
- H. Rent expenses from Future Lifestyle Fashions Limited ₹ 223.67 lakhs (2022: ₹ 860.48 lakhs), Future Retail Limited ₹ Nil (2022: ₹ 545.49 lakhs), Future Market Networks Limited ₹ 186.93 lakhs (2022: ₹ 174.92 lakhs), City Centre Mall Nashik Pvt. Ltd. ₹ 76.90 lakhs (2022: ₹ 52.48 lakhs), Ojas Tradelease and Mall Management Private Limited ₹ 66.05 lakhs (2022: ₹ Nil) and Future Enterprises Limited ₹ Nil (2022: ₹ 2,304.00 lakhs).
- I. Other Expenses from U2L Learning Solutions Limited (Training & Development Expenses) ₹ 56.09 lakhs (2022: ₹ 57.31 lakhs), City Centre Mall Nashik Pvt. Ltd. ₹ 58.46 lakhs (Electricity Expenses) (2022: ₹ 30.36 lakhs), Future Market Network Limited ₹ 2.48 lakhs (Advertisement Expenses) (2022: ₹ Nil) and Future Brands Limited ₹ 2.57 lakhs (Royalty Expenses) (2022: ₹ 2.41 lakhs).
- J. Insurance Premium paid to Future Generali India Insurance Company Limited ₹ 10.62 lakhs (2022: ₹ 43.07 lakhs).
- K. Provision for Doubtful Advances includes amount against Future Enterprises Limited ₹ 300.00 lakhs (2022: ₹ Nil).
- L. Interest expenses include interest paid/payable to Future Corporate Resources Private Limited ₹ Nil (2022: ₹ 20.12 lakhs), Nubusiness Ventures Private Limited ₹ 3.15 lakhs (2022: ₹ Nil) and Surplus Finvest Private Limited ₹ 197.48 lakhs (2022: ₹ 207.30 lakhs).
- M. Inter-Corporate Deposit Taken from Nubusiness Ventures Private Limited ₹ 500.00 lakhs (2022: ₹ Nil) and Surplus Finvest Private Limited ₹ 550.00 lakhs (2022 : ₹ 1,750.00 lakhs).
- N. Inter-Corporate Deposit Repaid to Future Corporate Resources Private Limited ₹ Nil (2022: ₹ 300.00 lakhs) and Surplus Finvest Private Limited ₹ 480.00 lakhs (2022 : ₹ 1,600.00 lakhs).
- O. Equity Shares allotted on conversion of compulsory convertible debenture, to Future Corporate Resources Private Limited ₹ Nil (2022: ₹ 66.27 lakhs).
- P. Securities premium received on conversion of compulsory convertible debentures, to Future Corporate Resources Private Limited ₹ Nil (2022: ₹ 1,338.73 lakhs).
- Q. Claim for recovery of damages include claim made to Future Supply Chain Solutions Limited ₹ Nil (2022 : ₹ 1,635.13 lakhs).

# Notes

annexed to and forming part of the financial statements for the year ended March 31, 2023

- R. Assignment of Liability includes Future Lifestyle Fashions Limited ₹ Nil (2022: ₹ 130.97 lakhs).
- S. Liabilities no longer required written back includes amount against Future Enterprises Limited ₹ 1,724.17 lakhs (2022: ₹ Nil), Future Ideas Company Limited ₹ 4.89 lakhs (2022: ₹ Nil) and Future Consumer Limited ₹ 1.57 lakhs (2022: ₹ Nil).
- T. Balances no longer required written off includes amount against Future Media (India) Limited ₹ 0.71 lakhs (2022: ₹ Nil)
- U. Expenses incurred in behalf of related parties includes amount paid on behalf of Future Supply Chain Solutions Limited ₹ 56.11 lakhs (2022: ₹ 122.98 lakhs) and Future Retail Limited ₹ 84.43 lakhs (2022: ₹ Nil)
- V. Managerial Remuneration includes Mr. Mahesh Shah ₹ 287.67 lakhs (2022 : ₹ 255.99 lakhs), Mr. Sandeep Sharma ₹ Nil (2022: ₹ 17.78 lakhs), Mr. Samir Kedia ₹ 140.29 lakhs (2022: ₹ 26.64 lakhs), Ms. Smita Chowdhury ₹ 18.09 lakhs (2022: ₹ 15.03 lakhs) and Ms. Sanu Kapoor ₹ 0.93 lakhs (2022: ₹ Nil), Mr. Vikash Kabra ₹ Nil (2022: ₹ 23.20 lakhs).

For the year ended March 31, 2023, the above numbers are in the nature of Short term employee benefits ₹ 409.84 lakhs (2022: ₹ 338.64 lakhs) and share based payments ₹ 37.14 lakhs (2022: ₹ Nil) as per IND AS 24. Managerial remuneration does not include provision for gratuity and compensated absences.

Director Sitting fees paid to Mr. Sarda Shirrang Kisanlal ₹ 2.10 lakhs (2022: ₹ 3.40 lakhs), Mr. Jacob Mathew ₹ 3.60 lakhs (2022 : ₹ 5.20 lakhs), Mr. Harminder Sahni ₹ 4.80 lakhs (2022 : ₹ 4.40 lakhs), Ms. Anou Singhvi ₹ 3.20 lakhs (2022 : ₹ 2.70 lakhs), Ms. Avni Biyani ₹ 0.60 lakhs (2022: ₹ 2.10 lakhs), Ms. Sridevi Badiga ₹ Nil (2022: ₹ 0.50 lakhs), Mr. Samson Samuel ₹ 0.30 lakhs (2022: ₹ Nil).

- W. Equity shares held in the Company - Surplus Finvest Private Limited ₹ 896.88 lakhs (2022: 896.88 lakhs), Future Corporate Resources Private Limited ₹ 337.87 lakhs (2022: 949.93 lakhs), Kishore Biyani ₹ 0.01 lakhs (2022: 0.01 lakhs).
- X. Security Deposit receivable from Future Enterprises Limited, amounting to ₹ 10,100.00 lakhs (2022: ₹ 10,100.00 lakhs) and Future Market Network Limited, amounting to ₹ 49.74 lakhs (2022: ₹ 49.74 lakhs).
- Y. Trade Payables includes payable to Future Supply Chains Solutions Limited of ₹ 1,519.71 lakhs (2022: ₹ 2,612.61 lakhs), Future Lifestyle Fashions Limited ₹ 1,033.78 lakhs (2022: ₹ 2,123.58 lakhs) and Provisions ₹ 445.65 lakhs (2022: ₹ Nil), Future Retail Limited ₹ 240.47 lakhs (2022: ₹ 670.26 lakhs), Future Enterprises Limited ₹ Nil (2022: ₹ 1,724.16 lakhs), Smartsters Private Limited ₹ 18.77 lakhs (2022: ₹ Nil), Ojas Tradelease and Mall Management Private Limited ₹ 98.83 lakhs (2022: ₹ Nil), Future Market Networks Limited ₹ 384.95 lakhs (2022: ₹ 280.61 lakhs) and Provisions ₹ 8.54 lakhs (2022: ₹ Nil), Nufuture Digital (India) Limited of ₹ 54.23 lakhs (2022: ₹ 112.87 lakhs), U2L Learning Solutions Limited ₹ 6.33 lakhs (2022: ₹ 15.49 lakhs) and Future Brands Limited ₹ 1.76 lakhs (2022: ₹ 0.82 lakhs), City Centre Mall Nashik Private Limited ₹ Nil (₹ 18.50 lakhs) and Future Ideas Company Limited ₹ Nil (2022: ₹ 5.37 lakhs).
- Z. Advances given includes lease rental advances to Future Enterprises Limited ₹ 331.97 lakhs (2022: ₹ 331.97 lakhs), insurance advance to Future Generali India Insurance Company Limited ₹ Nil (2022: ₹ 8.75 lakhs) and advance to Future Media (India) Limited ₹ Nil (2022: ₹ 0.71 lakhs).
- AA. Provision for Doubtful Advances against lease rental advances given to Future Enterprises Limited ₹ 300.00 lakhs (2022: ₹ Nil).
- AB. Inter-Corporate Deposit Taken (including Interest accrued) Outstanding from Nubusiness Ventures Private Limited ₹ 502.84 lakhs (2022: ₹ Nil), Surplus Finvest Private Limited ₹ 1,765.80 lakhs (2022: ₹ 1,682.61 lakhs).



# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 39. PAYMENT TO THE AUDITORS (EXCLUDING GST)

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
For Statutory Audit	17.00	22.00
For Limited Review (includes ₹ 3 lakhs pertaining to erstwhile Statutory Auditor)	8.00	9.00
For Certifications	-	12.50
Out of pocket expenses	0.42	-
<b>Total</b>	<b>25.42</b>	<b>43.50</b>

## 40. COMMITMENTS AND CONTINGENT LIABILITIES

### (i) Commitments

#### a. Leases - Operating Lease commitments - Company as lessee

The Company has entered into lease agreement and its undiscounted present value of the lease rental for the non-cancellable term is ₹ 360.00 Lakhs (2022: ₹ 333.85 Lakhs).

#### b. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as on March 31, 2023 (2022):

Capital Commitments - ₹ 178.77 lakhs (2022: ₹ 361.80 lakhs)

### (ii) Contingent Liability:

- (a) The Company has not provided for Income Tax demand excluding contingent interest of ₹ 113.80 lakhs (2022: ₹ 113.80 lakhs) which is pending before CIT Appeals.
- (b) On November 27, 2020, The Company has received demand notice from the Directorate General of Anti Profiteering department wherein the department has stated that the Company has contravened the provisions of Section 171(1) of the Central Goods and Service Tax Act, 2017 and the benefit of the rate reduction in GST from 28% to 18% was not passed on to the recipients by increasing the base price of the products. As per the report the total amount of profiteering covered for the period 15.11.2017 to 30.09.2019 has been worked out to ₹ 368 Lakhs. The Company has submitted its reply on January 18, 2021 to National Anti-Profiteering Authority (GST). The Company was granted personal hearing in the matter by National Anti-Profiteering Authority (GST) on April 7, 2022. Pursuant to the said hearing, the Company has argued and submitted its reply vide letter date April 12, 2022 to emphasize the fact that the benefit of GST rate change was duly passed on to the customers. Further clarification was required by the Directorate General of Anti Profiteering department on November 3, 2022, for which Company has submitted its reply vide letter date November 17, 2022. Final order is awaited in this regard.
- (c) Based on consultation with the legal advisors of the Company, the management believes that the tax authorities are not likely to be able to substantiate their tax assessments / demands & accordingly it has not provided for these tax demands at the Balance sheet date.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

- (d) On April 12 2021, the Company received a notice from its vendor wherein the party filed an application under IBC Code with NCLT towards alleged non-payment of its dues (including interest) ₹ 100.65 lakhs, however the total outstanding as per the Company books amounts to ₹ 0.83 lakhs. Various hearing has happened till March 31, 2023 and the matter is sub judice. The next hearing is scheduled on June 1, 2023.
- (e) The Company is a party to various legal proceedings in normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of the operations or cash flow. Amounts of such disputes are unascertainable.

**41.** During the year, tenure of a lease rental agreement entered by the Company with a related party (Lessor) expired. In the past, the Company has given security deposits of ₹ 10,100 lakhs pursuant to such agreement. The Company still holds the possession of the moveable assets (PPE) taken by it under this agreement for its usage. The Company is following up with the lessor to recover the amount of security deposits. During the year, the Company has obtained a valuation report of such assets by an independent professional firm. The Company believes that these receivables are secured by the assets, which are in its possession, whose value as determined by the independent valuer is higher than the security deposits and hence the Company has considered the security deposits as secured and good and fully receivable. Further, till the time these assets are in the possession of the Company, which will be surrendered on receipt of the amount of ₹ 10,100 lakhs, as conveyed by the Company to such related party, no lease rental charges will be paid post the closure of the tenure of this agreement. Accordingly, no provision towards lease rental, if any, to be claimed by such related party in the future has been provided in the books of accounts.

## 42. IND AS 115 : REVENUE FROM CONTRACTS WITH CUSTOMERS

The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the standalone financial statements.

### 1. Disintegrated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Type of Goods or Service</b>		
Sale of Goods (net of tax)	37,907.48	39,120.18
Other Operating Income	697.07	769.04
<b>Total revenue from contracts with customers</b>	<b>38,604.55</b>	<b>39,889.22</b>
India	38,604.55	39,889.22
Outside of India	-	-
<b>Total revenue from contracts with customers</b>	<b>38,604.55</b>	<b>39,889.22</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	38,604.55	39,889.22
Services transferred over time	-	-
<b>Total revenue from contracts with customers</b>	<b>38,604.55</b>	<b>39,889.22</b>

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

## 2. Contract Balances

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Trade Receivables	143.65	8.30
Contract Liabilities (Advance from Customers):		
Opening Balance	2,295.66	2,631.21
Closing Balance	1,144.10	2,295.66
<b>Net (Increase)/Decrease</b>	<b>1,151.56</b>	<b>335.55</b>

Note - During year ended March 31, 2023, revenue recognized is ₹ 1,745.66 lakhs, income from gift voucher expiry is ₹ 550.00 lakhs and advances collected is ₹1,144.10 lakhs. During the year ended March 31, 2022, revenue recognized is ₹ 2,631.21 lakhs and advances collected is ₹ 2,295.66 lakhs.

- 43.** Costs of warranty include the cost of labour, material and related overhead necessary to repair a product during the warranty period. The Company has deployed an in-house staff for to repair the products under warranty period. The Company being a trader have back to back warranty agreements with the parties for all the products it sales. Further the Company's cost on stores and spares based on the actual expenses incurred itself is not material and is further insignificant related to products which are under warranty period of more than one year. Hence the Company does not make any provision for warranties in accordance with in accordance with Ind AS 37 and expense out the cost on an actual basis.
- 44.** The Company has incurred a net loss of ₹ 2,101.39 lakhs during the year ended March 31, 2023. Further, the entire networth of the Company has been eroded due to losses incurred and its current liabilities exceed its current assets which indicate a material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. In the previous financial year, the Company has raised Equity Capital through rights issue to improve its net worth. Further, the Company is committed to improve its operational efficiency and has taken various initiatives to boost sales and reduce cost. These initiatives will yield desired results and the management is confident that the networth will turn positive in the near future and yield sustainable cash flows to meet all its obligations. The Company has also initiated the process to raise further funds through Rights Issue. Accordingly, the financial results of the Company have been prepared on a going concern basis.
- 45.** A provision for interest of ₹160.26 lakhs has been provided for in the books for delay in reversal of Input tax credit (ITC) for trade payable (including ITC availed on purchases made on SOR basis) outstanding for more than 180 days. No provision is created on such amount of ITC credit of ₹ 697.30 lakhs, as the Company has initiated steps to clear all such outstanding dues in the near future.

## 46. SUBSEQUENT EVENTS

### i. Increase in Authorised Share Capital

Subsequent to the Balance Sheet date on April 16, 2023, the Company has increased the authorised share capital from ₹ 5,000.00 lakhs to ₹ 7,500 lakhs vide resolution passed in meeting of Board of Directors held on March 14, 2023.

### ii. Proposed Rights Issue

The Board of Directors of the Company at their meeting held on March 14, 2023, approved the raising of funds, through issuance and allotment of equity shares of face value ₹ 5 each ("Equity Shares") for

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

an aggregate amount less than ₹ 50.00 crores (Rupees Fifty Crores), on rights basis on such terms (as decided by the Board of Directors or a duly constituted committee of the Board) to the eligible equity shareholders of the Company, as on the record date, subject to receipt of regulatory/statutory approvals as required. Subsequently, the Committee of Directors at its meeting held on May 24, 2023 has approved various other aspects of the proposed Rights Issue including the issue price, size of the issue and the ratio for Rights Entitlement and has fixed the record date on May 30, 2023.

- 47.** As on the balance sheet date (current year and previous year), the Company has reversed the inventories which were purchased on Sale or Return basis (SOR) basis of ₹ 2,124.12 lakhs and ₹ 3,021.08 lakhs respectively along with the simultaneous reversal of such amounts from purchases / trade payables.
- 48.** Exceptional items for the year ended March 31, 2023 includes ₹ 1,386.12 lakhs (net impact in P&L statement in future years: ₹ 8.71 lakhs) on account of changes arising in Right of use asset and Lease liabilities due to the decision taken by the management about the continuity plans of the loss making stores and ₹ 1,724.16 lakhs on account of write back of liabilities as approved by the Board of Directors.
- 49.** Balances of Trade Payables and Other Receivables are subject to confirmations and reconciliation, if any. Such reconciliation, in the opinion of the management, are not likely to be material and will be carried out as and when ascertained.
- 50.** During the year, the Company has raised claims by writing to Future Retail Limited, Future Supply chain solutions Limited and Future Lifestyle Fashions Limited wherein it has sought those entities to compensate the Company towards loss of margin on sales, on account of pre mature closure of sub lease arrangements in FY 2021-22 without intimating to the Company, which amounts to ₹ 775.10 Lakhs, ₹ 1,570.99 lakhs and ₹ 1,563.57 Lakhs, respectively.
- 51.** The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 during the year ended 31 March 2023 except as mentioned below. The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 during the year ended 31 March 2022.

		(₹ in Lakhs)	
Name of struck off Company	Nature of transaction with struck off Company	Balance outstanding as on March 31, 2023	Relationship with the Struck off company
Veteran Facility Management Services Private Limited	Payables	4.76	NA

## 52. OTHER STATUTORY INFORMATIONS

- i. The Company does not have transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- ii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

- iii. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- iv. During the year the company is not declared wilful defaulter by any bank or financial institution or other lender.
- v. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- vi. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- vii. The Company has not defaulted in repayment of loans or other borrowings or payment of interest thereon to any lender.
- viii. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- ix. Corporate Social Responsibility (CSR) - As per the section 135 of the Companies Act 2013, the Company is required to spend ₹ Nil (2022: ₹ Nil) towards CSR based on profitability of the Company, against the same ₹ Nil has been spent by the Company.

## 53. RATIO ANALYSIS

(₹ in Lakhs)				
Particulars	Refer note below	As at March 31, 2023	As at March 31, 2022	Variance
i) Current Ratio (times)		0.75	0.94	-21%
ii) Debt Equity Ratio (times)	(4)	(2.97)	107.68	-103%
iii) Debt Service Coverage Ratio (times)	(1)	0.53	1.16	-54%
iv) Return on Equity (%)	(1)	(244.57%)	(45.00%)	-444%
v) Inventory Turnover Ratio (times)		2.27	2.03	12%
vi) Trade Receivables Turnover Ratio (times)	(2)	1.60	0.58	178%
vii) Trade Payables Turnover Ratio (times)	(3)	1.06	1.74	-39%
viii) Net Capital Turnover Ratio (times)	(5)	(6.20)	(22.59)	73%
ix) Net Profit Ratio (%)	(1)	(13.50%)	3.57%	-478%
x) Return on Capital Employed (%)	(1)	(85.69%)	44.78%	-291%
xi) Return on Investment		NA	NA	

### Ratios have been computed as under:

- i) Current Ratio = Current Assets / Current Liabilities
- ii) Debt Equity Ratio = Total Debt / Shareholders' Equity
- iii) Debt Service Coverage Ratio = Earnings available for debt service including exceptional items/Debt service

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

- iv) Return on Equity = Net Profit after tax / Average Shareholders' Equity
- v) Inventory Turnover Ratio = COGS / Average Inventory
- vi) Trade Receivables Turnover Ratio = Net Credit Sales / Average Receivables
- vii) Trade Payables Turnover Ratio = Total Purchases / Average Payables
- viii) Net Capital Turnover Ratio = Net Sales / Working Capital
- ix) Net Profit Margin = Net Profit after tax including exceptional items / Net Sales
- x) Return on Capital Employed = EBIT including exceptional items / Capital Employed
- xi) Return on Investment = Income generated from investment / Average investments"
  - (1) Decrease was primarily on account of losses incurred in FY22-23.
  - (2) Improvement was primarily on account of increase in credit sales.
  - (3) Decrease was primarily on account of decrease in purchase of stock-in-trade and decrease in trade payables.
  - (4) Decrease in the ratio was primarily on account of negative shareholders' equity.
  - (5) Decrease was primarily on account of decrease in operational revenue and increase in negative working capital.

## 54. AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

### a) Newly issued standards

There were no standards notified by the Ministry of Corporate Affairs (MCA) during the year ended March 31, 2023."

### b) Amendments in prevailing standards but not effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015. The effective date for adoption of these amendments is annual period beginning on or after April 1, 2023. The significant amendments are as below.

#### (i) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

#### (ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements."

# Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

### *(iii) Ind AS 12 - Income Taxes*

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements."

## **55. PREVIOUS YEAR FIGURES**

Previous year figures have been regrouped and rearranged wherever necessary to conform to current year's presentation.

As per our report of even date attached

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Mahesh Shah**  
Managing Director  
DIN:01488017

**For and on behalf of Board of Directors**

**Harminder Sahni**  
Chairman  
DIN: 00576755

**Amit Hundia**  
Partner  
Membership No.: 120761

**Samir Kedia**  
Chief Financial Officer

**Sanu Kapoor**  
Company Secretary

Mumbai  
May 27, 2023



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